

Presentation of an issue — VCE English unit 3

The Issue — Federal Budget Cuts to Child Care

Contents

Section 1 (pink)

Background Information — public meeting advertisement and resolutions; Interview with a concerned parent.

Section 2 (white)

Press Clippings — from 8 October 1991 to 6 November 1991

Section 3 (yellow)

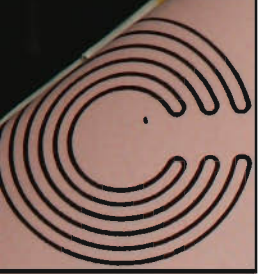
The Federal Minister's Response — a review of the proposed cuts



The Crow Collection

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NEWS SHEET

NEWSLETTER OF THE COMMUNITY CHILD CARE ASSOCIATION
183 Brunswick Street • Fitzroy • Victoria • 3065 • (03) 419 1555

SEPTEMBER 1991

Federal Budget Cuts to Child Care Major changes

- A two-tiered fee relief system which discriminates against non-working parents.
- All parents requiring fee relief will be assessed by DSS for income level and workforce status.
- Reduction in operational subsidy for occasional care centres.
- Operational subsidy for Out of School Hours Services slashed.
- Parents using out of school hours services will only be eligible for the lower level of fee relief.
- Additional administrative workloads for staff of all services.

These changes will have major implications for utilisation levels of all services. This could result in higher fees for all families.

What CCC is doing

Community Child Care is holding a
PUBLIC MEETING
to discuss the impact of the changes
contained in the 1991/92 Federal Budget

THURSDAY, OCTOBER 10, 1991
7.30 pm

COLLINGWOOD SENIOR CITIZENS CENTRE
Adjacent to Collingwood Town Hall
HODDLE ST, ABBOTSFORD

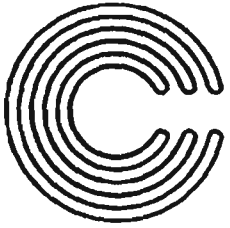
Parking in Eddy Court, Abbotsford
Melway Map Ref. 2C H 10.

What you can do

- Come to the Public Meeting held by Community Child Care.
- Meet with your local Federal MP.
- Write to relevant Federal Government Ministers.

For further details see page 4.

For further details on what Community Child Care is doing see Page 4.



COMMUNITY CHILD CARE

183 Brunswick Street • Fitzroy • Victoria • 3065 • 419 1555

RESOLUTIONS FROM THE PUBLIC MEETING HELD BY COMMUNITY CHILD CARE ON 10/10/91

The meeting passed the following resolutions:

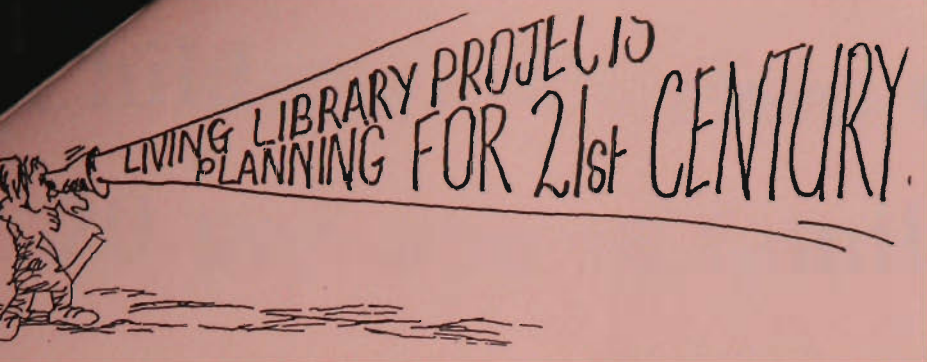
- This meeting calls for the Federal Government to abandon its proposed two-tiered fee relief system, and introduce an equitable single level fee relief system applicable to all service types.

This system must ensure all families have access to fee relief according to their ability to pay rather than according to workforce status or other criteria.

- That a working group be formed to work, in conjunction with Community Child Care, on developing strategies for further action.
- This meeting calls for the Federal Government to provide extra funds to out of school hours services to ensure family fees are kept at an affordable level without relying on significant sponsor contributions.
- That Community Child Care convene a working group to organise a protest rally.
- That the MAV and MMA co-ordinate a campaign of service providers to boycott the training seminars relating to the introduction of the two-tiered fee relief system.
- That ACTU and Victorian Trades Hall Council co-ordinate a campaign of refusal to implement the two-tiered system of fee relief in child care. That the relevant trade unions be approached to ensure their members ban its implementation.
- That National Children's Day (October 24th) be declared a National Day of Action on the affordability crisis facing child care in Australia.

The central focus of this day being a national fax campaign directed to the Prime Minister. That parents requiring child care on that day take their children to the office of their Local Federal Member of Parliament to be cared for.

To facilitate this action representatives of community based child care services from each state and territory will be invited to form a co-ordinating group.



CROW COLLECTION LIVING LIBRARY PROJECT

As part of the living library project, the current federal government proposal for a two-tier funding system for child care being chronicled. The two-tier system is due to be introduced on Jan.1 1992. A write-up of the first of a number of interviews of parents who will be affected by the fee changes follows.

INTERVIEW WITH "SARAH", A WOMAN FROM YARRAVILLE, 1 NOV. 1991

"Our kids shouldn't miss out on the stimulating environment that the child care centre offers just because one of their parents isn't working outside home."

Sarah has organised for a Yarraville child care centre to collect her 4 year old daughter once a week from kindergarten and look after her for the afternoon. Sarah had hoped to continue this arrangement next year and have her 2 year old daughter at the child care centre as well. But without fee relief, the cost of child care would be prohibitive to a family on one income.

"People like us have made a choice to stay home. We're on one income and now we're going to be penalised for that choice we've made," she said. "What is the government saying? It's promoting people going out working and not taking time with their kids. I think the government is being short-sighted and discriminating."

Sarah said that when she became pregnant with her second child, she put her older daughter's name down at the child care centre. She wanted her older daughter to benefit from the social interaction the centre offered. She also wanted some time just with the younger child.

Fridays with only her younger daughter at home have been spent partly at storytime at the local library and at Edgym, and partly doing housework, visiting and doing voluntary work.

"I suppose it's selfish of me, but it's great to have a break especially when you know your kid is in a stimulating environment", Sarah said. "Anyway, what does the government think we're doing with our time while our kids are in child care? Sitting out in the sun reading a book? Women do an incredible amount of work in the community."

Having said this, Sarah hastened to add that she feels it is perfectly OK to be a parent at home without feeling you have to be a volunteer.

Sarah herself has spent over 4 years on a management committee working to help long-term unemployed people; when she became pregnant earlier this year she resigned from the committee. Now she works occasionally at her daughter's kindergarten on a volunteer basis.

After 8 years in the paid workforce, Sarah really looked forward to having kids. She has treasured her time with them and is not in a hurry to get back to paid work.

Sarah maintained that the new fee system will discriminate against people who know that in this economic climate there are no jobs in their field, and so do not go out seeking work. She also felt that there will be a lot of people in the community, including people who have English as a second language, who will not understand the complex new system of fee relief.

Child-care fee rises will hit

Age, 8 Oct

20 per cent of families, groups say

By CAROLINE MILBURN,
community affairs reporter

One in five parents with children in Government-funded, long-day care centres will face increased fees under a system to be introduced next year, community groups said yesterday.

They said 20 per cent of families using such centres would pay \$30 a week more. The minimum \$15.50 fee for one child in care would jump to \$45.50 for parents, classi-

fied as using child care for non-work-related reasons.

However, the federal Minister for Community Services, Mr Staples, rejected the consumer groups' estimates. He said they had overestimated the number of people who faced higher charges under a two-tier, fee-relief system to be introduced by the Federal Government on 1 January.

Representatives from the ACTU, the Victorian Council of Social Service, the Community

Child-Care Association and the Trades Hall Council will hold a protest meeting on Thursday evening against the proposed changes.

Ms Sue Jackson, the deputy director of VCOSS, said the system changed the philosophy of child care in Australia and discriminated against those who used child-care centres occasionally or for respite.

Under the new system, tier one would include people who used child care for work-related rea-

sons, who had a disability or a disabled child or whose children were deemed to be at risk. It would also include people with full or part-time jobs, those registered with the CES as looking for work, or those undertaking vocational training. Fee relief charges would not be increased.

But people not in these categories who used child-care centres on an occasional or respite basis would be classified in tier two and would have their fees raised.

Ms Jackson said many unemployed parents undergoing pre-vocational training would fall into tier two and face higher fees. She said the new system also had serious implications for child welfare and protection. This was because Department of Social Security staff were untrained to detect whether a child was at risk of abuse and many families under pressure who used the service for respite care would not be able to afford the higher fees.

Mr Staples said the two-tier system would abolish inequities in the fee-relief structure. Fee relief would be matched to the needs of the parent rather than the type of centre-based care provided.

He said that under the present structure, working parents who placed their children in an occasional care centre for 50 hours a week because there were no long-day centres nearby received less fee relief than those whose children were in long-day centres.

He said: "Fee relief will relate to why you are using child care as distinct from the pot luck of which centre you can get your kid into."

A spokesman for Mr Staples said about six per cent of parents using child-care centres for non-work-related reasons, such as respite care, would face an increase in fees under the two-tier system.

Mr Staples said the concerns of the community groups were premature and would be discussed in consultations due soon.

WESTERN INDEPENDENT - Tuesday, 8th October, 1991 - 23

MMA slams childcare changes

THE Metropolitan Municipal Association (MMA) has attacked the Federal Government for changes made in the Budget which will affect families who use childcare for work related purposes in the City of Werribee.

MMA general manager Mike Ingram said the Federal Government confirmed that despite its social justice strategy not all families were equal when it came to childcare.

He said changes announced in the Budget, due to take effect on January 1, 1992, meant families who used childcare for work related purposes would receive a higher level of childcare fee relief than other families.

"Until recently the Federal Government acknowledged that families need access to childcare for a variety of reasons and this was reflected in the fee relief system," Mr Ingram said.

"It was also reflected in the usage of centre based childcare services, with 20 per cent of the places occupied by children of non-working parents.

"But not any more. The new two-tiered fee relief system will mean that parents who are working, looking for work or training for work, will be eligible for a higher level of fee relief than families who need childcare for non-work related purposes.

"This is clearly iniquitous and presupposes that all non-working parents do not need assistance with childcare or with childcare costs.

"It makes a mockery of the Government's claims that it is serious about social justice.

"If the Federal Government wants to avoid creating two classes of families it should ensure that it does not create two classes of childcare," Mr Ingram said.

Furore on child minding

ANGRY parents are planning to turn National Children's Day on Thursday into a day of protest over child-care cuts.

Their decision follows a massive public meeting in Abbotsford last week.

More than 300 people attended the public meeting organised by the Fitzroy-based group, Community

By ANDREW MASTERSON

Child Care, at the Collingwood Senior Citizens' centre in Hoddle St.

It also seems likely that inner-city councils could boycott the introduction of the Federal Government's new two-tiered child-care fee relief scheme, due to be introduced on January 1 next year.

Councils and parents alike fear that the new scheme will severely damage child-care services, and cost some people an extra \$9 a week if they continue to use them.

The meeting called on the Federal Government to abandon its proposed two-tier fee relief system in favor of a more equitable single-tier arrangement.

It also demanded extra funding for out-of-school hours services to ensure family fees are kept at an affordable level.

Community Child Care will now approach the ACTU, the Trades Hall Council and relevant individual unions to seek work bans on the implementation of the new system.

"We are asking that parents all send letters or faxes of protest to the Prime Minister's office all on the same day," Ms Pam Regan, Community Child Care spokesperson said.

The meeting also suggested that parents needing child care that day take their youngsters to the office of their local MP.

Representatives of child-care services from each state are being hurriedly consulted in order to co-ordinate the letter writing protest nationally.

"There 96 out of 211 councils in Victoria will family day-care programs, and they are all likely to be affected," said Ms Regan.

The public meeting also voted to form a co-ordinating committee to organise a protest rally in the near future.

Age, 23 Oct 97

Volunteers to get top care subsidy

PARENTS doing unpaid volunteer work and who have a letter of verification will be able to claim the top child care subsidy under the new two-tiered fee relief system to be introduced on 1 January, a spokesman for the Minister for the Aged, Family and Health, Mr Staples, said yesterday.

Parents working part-time would also be able to claim the top subsidy for full-time child care as would those using Multifunctional Aboriginal Children's Services (MACS), the spokesman said.

The exemptions, listed in detailed guidelines given to 'The Age' last Wednesday night — after a story was published in Accent criticising the new system — broaden the list of those eligible for the top subsidy. Only those using before or after-school care or those who are working at home (not in a home or family business) will receive the lower subsidy.

Community groups, the ACTU and the Trades Hall Council — all of which had claimed the two-tier system discriminated against parents working in the community and at home — yesterday claimed the new exemption was a partial backdown.

Tricia Caswell, an ACTU organiser, said, "While this is a partial backdown, they've still got the two tiers. They are still discriminating against a whole lot of women who look after aged mothers or relatives and who still need child care.

"Charity isn't just outside the home and women are carrying the casualties of a community that is backtracking on its social services."

She also asked why the Government was bothering with the two tiers if it intended to make exemptions so broad.

But the Government spokesman denied that it was a backdown, claim-

ing the exemption for volunteers was "always so".

However, no mention was made of it previously, nor was it mentioned in the budget papers, nor in the women's budget, which both listed other exemptions. Nor were community groups, or the ACTU and Opposition members aware of it until informed by 'The Age'.

Previously, the budget papers said the top subsidy would be restricted to people in paid work, those registered with the CES, those doing vocational or training courses, or those receiving a disability allowance or with a child receiving an allowance, and people with children at risk. Others, effectively people not in the paid workforce or using before or after-school care, would receive a lower subsidy, paying up to 50 per cent more.

Parent and child care lobby groups, and the Opposition had all claimed that the new system did not acknowledge the many hours of unpaid community work done by women. Nor did it take into account the fact that in areas of high unemployment, fees from non-working parents were keeping struggling child care centres from closing.

According to Senator Richard Allston: "It's classic policy making on the run. The policy is fundamentally flawed because it still amounts to a wholly unwarranted discrimination."

The Government spokesman said the two-tiered system was set up because the Government was trying to direct most assistance to those whose need was greatest. Guidelines would be issued to peak councils within 10 days, when training seminars would begin.

He denied claims that the broad guidelines would mean enormous bureaucratic changes for a small result. He said the changes in the administration system related to accountability, not to the two-tier fee relief system.

JANE CAFARELLA

Parents take protest on child care to minister's doorstep

By KAY ANSELL

Parents and children celebrated International Children's Day yesterday with coordinated protests at three federal ministers' electorate offices against proposed changes in the child-care fee relief system.

The Minister for Community Services, Mr Howe, agreed to talk to representatives of the 50 parents who visited his Northcote office with their children.

Next week he will discuss individual cases which parent groups say show that anomalies in the fee relief system, which helps parents in need with child-care costs, would discriminate against working parents.

Other groups of parents visited the offices of the Minister for Primary Industry, Mr Crean, and the Minister for Immigration, Gerry Hand.

An adviser to Mr Crean met parents at his Oakleigh office and set a meeting with the minister for Monday.

Ms Lesley Davenport, of the Mordialloc Parent Child-Care Action Group, said parent groups had not been consulted about the proposed changes.



Picture: JOHN LAMB

Politician v. babies: Mr Brian Howe, the Minister for Community Services, meets parents protesting with their children against planned changes in child-care fee assistance. He later saw a delegation in his electorate office; both sides described the encounter as amicable.

Age 25/10/91

Parents take childcare protest to MP

KENSINGTON parents delivered a letter of protest over childcare cuts to the Carlton electoral office of Gerry Hand on National Children's Day, last Thursday.

The group of 15 parents, who also brought their young children, fear a two-tiered childcare fee relief scheme, to be introduced by the Federal Government on January 1, will cut childcare services and add \$9 a week to the cost of users.

Unfortunately, Mr Hand, the Member for Melbourne and Federal Minister for Immigration, wasn't in his office. The letter was received by his electoral officer, Ms Mary Day.

Later that day Mr Hand told the *Melbourne Leader* he would meet the concerned parents.

"Today I wasn't physically available to see them due to other commitments," he said. "But I'll certainly catch up with them in due course, when time permits, and I'll be happy to pursue their arguments with the appropriate minister, Brian Howe or Peter Staples."

Mr Hand said he worried "about anything that affects access to childcare".

"I have a long history of involvement with childcare centres," he said. "But I don't think they (the parents) want me to make any commitments via the media."

Speaking for the parents, Ms Debo-

rah Breen, of the Henry St Childcare Co-op, Kensington, said increased fees would cause childcare to become too expensive.

"This will result in closures of centres and the loss of childcare places in the community" she said.

Ms Breen said the new system would disadvantage children from non-English speaking backgrounds and deny support to children from single parents.

The Turkish Childcare Co-operative and Kensington Childcare Co-operative supported the parents' protest.

On Friday the Council of Single Mothers and their Children said Mr Hand would make himself available to discuss a Senate review of the childcare policy in a fortnight.

She said there had been no previous consultation with child care workers and parents.

Ms Dawson said the \$9 increase in fees would make "childcare unavailable to parents not in the workforce and jeopardise the viability of after-school and family day care".

"Sole parents who rely heavily on childcare services for emergencies and to relieve the pressure of constant parenting will suffer as a result of this policy," she said.

Parents will meet again at the North Melbourne Community Centre at 4.30 this afternoon, and tomorrow at the Carlton Family Resource Centre at 4.30 and 6 pm. A city rally is planned for November 17. For details contact Ms Dawson on 6504755.

Age En. 1/11/91.

Child care 'under threat'

By CAROLINE MILBURN,
community affairs reporter

Child care could be put beyond the reach of many low-income families under a new Federal Government fee-relief system to start in January, the Minister for Community Services, Ms Setches, has warned.

In a letter to the federal Minister for Family Services, Mr Staples, Ms Setches warned that the two-tier system could force some long-day-care centres to close. She said some low-income women not in the paid workforce would no longer be able to afford the second-tier payment levels.

Under the new system, parents who do not use the centres for work-related purposes will have to pay about 50 per cent more. Federal Government subsidies for out-of-school care programs will also be cut.

Ms Setches said she was concerned that the system disadvantaged those women who did unpaid work in family businesses and on farms. She said these women and those doing further-education studies, such as literacy classes in neighborhood

houses, could be ineligible for the higher levels of fee relief under the new system.

She said extra administrative and financial barriers would further complicate the child-care system.

School councils, local municipalities and community groups had criticised the cuts in operational subsidies for out-of-school care programs. She said the funding changes had been made without consultation with the state and threw the Commonwealth-State Child Care Agreement on out-of-school and vacation care into doubt.

Other groups to get the top-tier subsidy under the new fee-relief system, apart from working parents, will be those with disabled children, volunteers, those with children at risk, those learning English as a second language and parents registered with the CES.

Mr Staples said yesterday that he had not yet received Ms Setches' letter.

● Two new parent lobby groups were formed yesterday in Victoria and South Australia to fight

the cuts and proposed fee changes. A spokesman for the Victorian group, Parents for Affordable Child Care, said the Government had estimated that the cuts would save \$5 million, but it would cost \$4 million to implement and administer the new system.

The spokesman, Mr Danni Saks, of Alphington, said the changes ignored the range of reasons that non-working parents sought child care. He said they used centres for respite care, the social development of their children and to undertake educational and recreational activities that would not fall within the Government's proposed guidelines.

Mr Staples rejected Mr Saks' claim and said budget estimates were long-term predictions that could not be squeezed into a one-year figure.

He said the Government's child-care policy had always given priority to the needs of working parents. He said the changes were not big because people who used occasional-care centres for non-work-related purposes had always received a lower form of fee relief.

CHILD CARE CHANGES MAY HURT THE WEAK

HELEN Dawson, 29, shares a cramped high-rise flat in Richmond with her son Sean, three, her daughter Jasmine, nine months, her friend Val and Val's baby daughter Tamara.

As a single mother on a low income, Ms Dawson relies heavily on subsidised childcare. With Sean in family day care five days a week and Jasmine in occasional care eight hours each week, she has the freedom to do her shopping, visit the doctor, do the housework and some unpaid work for the Council for Single Mothers relatively unhindered.

But the Federal Government's 1991/92 budget proposal to introduce a two-tiered system of fee relief for child care may impose severe restrictions on Ms Dawson's lifestyle as well as that of many other low-income parents.

The government's proposal to introduce a lower level of fee relief for parents who use child care for non work-related reasons has met with howls of protest from parents, child care groups and local councils.

Where children are handicapped or deemed to be "at risk," according to as yet unspecified criteria, the government will make exceptions.

Melbourne City Council's community and cultural services committee recently resolved to talk to Federal members of parliament about its opposition to the fee relief changes.

The council manager of community services, Prue Digby, said the proposed new system would hit hardest

'I'd turn into a vegetable at home all week'

By
JANET BLAIR

those parents with the least capacity to pay.

She said that as child care fees are currently means tested, parents on high incomes pay full fees anyway. But those low income families who are using subsidised child care for non-work related reasons, will be forced to pay higher fees or withdraw their children from care.

Ms Digby said the changes could have devastating effects on many families.

Affordable childcare for just two days a week can make the difference between coping and disintegration for some families, she said.

"As far as I can see it will be pushing women right back into the home and taking away the key."

According to Ms Digby the two-tiered fee relief system also has serious implications for child care services.

She said child care centres must maintain high enrolments to break even. Numbers could drop to uneconomical levels at many centres if there is a widespread withdrawal of the

children of non-working parents.

Many centres could be forced to close, leaving working parents without childcare as well, Ms Digby said.

Ms Dawson is dreading the introduction of the new system due in January next year.

There is no way she will be able to continue paying for child care at the increased rate. Ms Dawson says she will carry on her life as best she

can taking both her children with her everywhere.

"I'd turn into a vegetable if I was just home changing nappies all week," she said.

At a public meeting held recently in Collingwood to oppose the changes the Parents for Affordable Child Care group was formed to lobby the Federal Government on the issue.

Together with the Council for Single Mothers this group is planning a protest rally in the city next month.



Photo: PETER WFAVING

Helen Dawson and baby Jasmine: Ms Dawson relies heavily on childcare.



MEDIA RELEASE

Parliament House, Canberra Phone (06) 277 7220 Fax (06) 273 4146

26 November 1991

98413/91

FINE TUNING CHILD CARE FEE RELIEF

The Federal Minister for Aged, Family and Health Services, Peter Staples, today announced a review of changes to child care fee relief to ensure the continued viability and affordability of services.

Mr. Staples said the review arises from concerns expressed by the community about changes to the fee relief system, which were to be introduced on 1st January and 1st April, 1992.

These changes will now not come into effect from these dates, but will be considered in light of impacts to industry award conditions and other viability and affordability effects. Operational subsidies will also be reviewed.

"Unfortunately the proposed changes have been surrounded by a great deal of misinformation which has adversely coloured the benefit in better targeting fee relief to those families most in need," Mr. Staples said.

"Concerns have been expressed to me regarding how the proposed changes might have impacted inequitably on economically disadvantaged areas and result in centres closing.

"I recognise that many centres are facing difficulties at the moment and rather than create unnecessary anxiety regarding the viability of services this opportunity will be taken to examine issues of concern.

"Like most Government programs, child care assistance is continually under review. As part of this on-going process, the affordability of child care for parents and the viability of services during tough economic times will be examined.

"Submissions have already been received regarding the earlier proposed fee relief changes. These will be taken into account in this process so that we can fine tune the Government's child care program to meet growing demand and ensure those unquestionably in need benefit the most."

Mr. Staples said child care was one of the Federal Government's outstanding programs.

"In the past two years the number of families receiving fee relief for long day care has increased 205 per cent from 44,500 to 135,800 and average weekly fee relief payments increased 60 per cent from \$22 to \$35 per week," he said.

Contact: Howard Conkey (06) 277 7220
Julia Burns (06) 289 3708