

[REDACTED]

[REDACTED]

[REDACTED]

Introduction

What is your name?

Name:

What is your email address?

Email:

Are you responding to this survey as:

Parent or guardian

What is your organisation?

Organisation:

Do you consent to the ACCC publishing your submission?

Yes, but do not publish my name

Open written submissions

Confidentiality and personal information

Choose File:

No file uploaded

Choose File:

No file uploaded

If you wish to provide responses to all or any of the draft findings and recommendations outlined in the September interim report, please move to the next section 'Guided submissions' to provide responses against the relevant findings and or recommendations.

Guided submissions

Draft Findings - Costs

1. Labour is the main driver of cost for supplying childcare, accounting for 69% at centre based day care and 77% at outside school hours care. Labour costs have increased significantly for large centre based day care providers over the last 5 years.

Agree

Please provide further comment if relevant:

I am a middle income earner, a single mother or widow now who no longer has to send my children to childcare but can't afford to send to before or after school care even with the subsidy. When my husband was alive we weren't eligible for the subsidy at all only the rebate. We were paying, for just one child the equivalent of \$8.5k a year....with a mortgage and bills...please be aware that this impacts middle income earners too. I had to pull my second child put as couldn't afford it even as a full time employee. The costs went up due to the mandatory skill requirements...well that was the excuse. When there was the income testing for the rebate came in this made it really tough and I ended up owing the tax office more apparently and had to pay back. The whole system was confusing and it disrupted my second child especially socially and academically.

2. Land and related costs are the other significant driver of cost for centre based daycare providers.

Agree

Please provide further comment if relevant:

The cost of council rates for both commercial and domestic have also risen ridiculously...thus include the service charges which to be honest I feel need to be reviewed by an independent party....the councils do not do what they should with what we pay...

3. Not-for-profit providers appear to face lower land costs than for profit providers, but these savings are invested into labour.

Unsure / No View

Please provide further comment if relevant:

4. Location influences costs of supplying childcare services, although the influence differs depending on the cost category. Overall, costs to supply services to different areas of remoteness and socio-economic advantage do not differ greatly, except for the areas of most remoteness and most socio-economic advantage.

Do Not Agree

Please provide further comment if relevant:

Yes it's more in the affluent areas but even middle to low class are impacted by exorbitant daycare costs. Those who work full time I feel are greatly impacted too. The cost of paying off your home is not taken into consideration with means testing....it's as if we are penalised for working to get a better paying job...might as well go on the dole.

Draft Findings - Competition

5. Parents' and guardians' demand for centre based day care is driven by a complex combination of factors. Parents look to prevailing market prices, however informal measures of quality are key considerations.

Agree

Please provide further comment if relevant:

Yes costs is key but so are the factors of staff competence, safety and hygiene in a centre

6. Providers' supply decisions are influenced by expectations of viability, which is heavily influenced by relative socio-economic advantage and geographic location.

Agree

Please provide further comment if relevant:

7. Staffing constraints are a barrier to more suppliers entering or expanding their operations in childcare markets.

Do Not Agree

Please provide further comment if relevant:

Anecdotally I see and hear of many qualified childcare workers.....the issue is the complaint for more \$\$ which then impacts families

8. The nature of competition reflects the unique demand and supply factors in childcare markets; price plays a less influential role once households have chosen how much childcare to use and providers compete on quality to attract and retain children and families.

Do Not Agree

Please provide further comment if relevant:

Definitely not. It should be a given right especially for those that work. How are we meant to make a living, pay off our home if we have no-one to care for our kids...yet can hardly afford it. Double edged sword.

Draft Findings - Profitability, viability and quality

9. On average, large centre based day care and outside school hours care providers appear to be profitable and financially viable.

Agree

Please provide further comment if relevant:

Yes. The privately owned daycare we used to use, was bought out by a much larger provider who bought several in the vicinity...then the prices went up and kept going up...all for profit

10. Occupancy is a key driver of revenue and therefore profits and viability.

Agree

Please provide further comment if relevant:

11. On average, margins are higher:

Agree

Please provide further comment if relevant:

Yes as when I tried to look elsewhere and for where I live there was more for profit and all were so high in cost...and everyone used the rebate and subsidy as a selling point...which ironically meant nothing to us

12. The ability to attract and retain staff is a key determinant of quality, which affects the profitability and viability of a service.

Agree

Please provide further comment if relevant:

Yes....and the quality of staff regressed too. Many were rude and clearly didn't like their job where I frequented or when I looked for alternatives due to cost.

Draft Findings - Price regulation mechanisms

13. The design of the Child Care Subsidy and existing price regulation mechanism has had a limited effect in placing downward pressure on prices and limiting the burden on taxpayers.

Agree

Please provide further comment if relevant:

Absolutely...I pay exorbitant tax as it is....for all my hard work I get half my wage due to tax I feel. My tax return is negligible yet I have to pay a fee to do one...which is such as what I get back....and my hard work goes to a system that doesn't work. I've lost faith in our government....the cost of everything has gone up and some days it feels like there is no point even working anymore. I worry for my children...and how they will be in debt when they study and then get a job, house family and get taxed even more than I...and to rely on a childcare system that doesn't work and isn't fair to anyone really. This all changed for the worse with the Gillard government. We were fine before that. Could work hard and pay our bills without having to worry about childcare costs...then it pretty much drained our bills and savings

14. Childcare providers are optimising session lengths to match current activity test entitlements to minimise out-of-pocket expenses for parents and guardians and maintain their revenues and profits.

Do Not Agree

Please provide further comment if relevant:

In my mind they do not actually care about families...just \$\$\$. Hours do. It reflects those who work including shift workers

15. The Child Care Subsidy is complex for parents and guardians to understand and it is difficult to estimate out-of-pocket expenses.

Agree

Please provide further comment if relevant:

Definitely...too complex and confusing and left me in debt. I felt we were also impacted by the robot debt scheme to be honest.

16. More information is important for parents and guardians, yet the comparator website StartingBlocks.gov.au is not widely used by parents and guardians and can contain outdated information.

Agree

Please provide further comment if relevant:

Absolutely...like all government run resources...clunky, outdated and unreliable. Yet we pay ridiculous tax amounts...for what

Draft Findings - International childcare costs and price regulation mechanisms

17. Overseas data indicates childcare in Australia is relatively less affordable for households than in most other OECD countries.

Agree

Please provide further comment if relevant:

In other countries like Nordic, US and even Asia it's seen as a necessity and the government pays.....Australia and its economy is so out of whack that as of this is seen as an area of luxury

18. Many OECD countries are moving toward greater regulation of childcare fees such as low fees or free hours for parents and guardians, supported with supply-side subsidies to cover providers' costs of provision.

Unsure / No View

Please provide further comment if relevant:

Draft Recommendations

Draft Recommendations - Existing regulatory arrangements

Draft recommendation 1 - The ACCC recommends that the Australian Government reconsider and restate the key objectives and priorities of its childcare policies and supporting measures, including the relevant price regulation mechanism.

Support

Please provide further comment if relevant:

I think there are many providers routing the system for profit ...and the government have put in unrealistic subsidy and rebate measures

Draft recommendation 2 - The ACCC recommends further consideration and consultation on changes to the Child Care Subsidy and existing hourly rate cap mechanism, to simplify their operation and address unintended consequences, including on incentives and outcomes.

Support

Please provide further comment if relevant:

Draft recommendation 2 (a) - Consideration be given to determining an appropriate base for the rate cap and indexing the cap to more closely reflect the input costs relevant to delivery of childcare services. This could include consideration of labour costs as well as the additional costs associated with providing childcare services in remote areas and to children with disability and/or complex needs

Support

Please provide further comment if relevant:

Draft recommendation 2 (b) - Consideration be given to changing the hourly rate cap to align with the relevant pricing practice for the service type. This could include consideration of a daily fee cap for centre based day care. Consideration will need to be given to setting and monitoring minimum requirements to avoid creating incentives for childcare providers to reduce flexibility or quality.

Support

Please provide further comment if relevant:

Draft recommendation 2 (c) - Consideration be given to removing, relaxing or substantially reconfiguring the current activity test, as it may be acting as a barrier to more vulnerable children (for example, households with low incomes or disadvantaged areas) accessing care and creating a barrier to workforce entry or return for some groups. An alternative would be to consider a specific entitlement, such as a certain number of days of care.

Support

Please provide further comment if relevant:

Draft recommendation 2 (d) - Consideration be given to including a stronger price and outcomes monitoring role by government, supported by a credible threat of intervention, to place downward pressure on fees.

Support

Please provide further comment if relevant:

Draft recommendation 3 - The ACCC supports reconsideration of the information gathered for and reported on StartingBlocks.gov.au so that it is better focused on meeting parents and guardians' information needs, and balanced against the costs of collecting and publishing information. This could include:

Support

Please provide further comment if relevant:

This has always been a very confusing and deceiving factor

Draft recommendation 4 - The ACCC recommends that the governments further consider how the existing regulatory frameworks support and influence the attraction and retention of educators and workforce in the early childhood education and care sector.

Support

Please provide further comment if relevant:

Draft Recommendations - Broader policy considerations for more significant change

Draft recommendation 5 - The Australian Government should consider maintaining and expanding supply-side support options for Aboriginal Community Controlled Organisations that provide childcare and additional support services for First Nations children, parents and guardians.

Unsure / No View

Please provide further comment if relevant:

Draft recommendation 6 - A market stewardship role should be considered for both Australian and state and territory governments, in identifying under-served areas and vulnerable cohorts, along with intervention whether through public or private provision. A competitive tender process is one tool that could be used by governments to facilitate delivery in these areas.

Support

Please provide further comment if relevant:

Draft recommendation 7 - The ACCC supports further consideration of supply-side subsidies and direct price controls. Some changes to the policy settings are likely to reduce the impact of the hourly rate cap as an indirect price control, and may warrant a shift to direct price controls supported by operating grants for regulated childcare providers.

Support

Please provide further comment if relevant: