



**MORE THAN A THIRD OF PARENTS WILL REDUCE DAYS OR REMOVE CHILDREN FROM EARLY
LEARNING IF GOVERNMENT 'SNAPS-BACK' TO OLD SYSTEM**

MEDIA RELEASE

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Results from a new national survey of Australian parents has revealed that at least 44 per cent of parents with children currently enrolled in childcare have had their income reduced since COVID19 and more than a third will be forced to reduce days or remove their children out of the service altogether when out-of-pocket fees return.

In under 48 hours more than 1300 parents completed *The Parenthood's* survey to give their feedback on the changes to childcare. The results confirm an early 'snap-back' to the old model, as the federal government has flagged, would have a dramatic and detrimental impact on families, the sector, and the nation's economy.

"For the majority of parents who have had their income drop due to COVID, they report they'd be forced to reduce days or remove their child or children from care altogether – just when they're trying to find their feet again in this new uncertain job market," Georgie Dent, The Parenthood's National Campaign Director said. "These findings illustrate how significantly different the financial situation is for so many families right now compared to a few months ago."

The vast majority of families (73%) reported the government's move to make childcare fee-free for parents had had a positive impact on their family's finances – which was critical for some, given just under half (44%) of parents reported a loss of income in their family and a whopping 17 per cent reporting that both parents had seen a drop in their income.

"The impact on workforce participation will predominantly fall to women, with 66 per cent reporting they would be the partner who would reduce their hours of work or stop work altogether," Ms Dent said.

Whilst the majority of parents have been able to keep their children in some form of early childhood education and care (ECEC) for the same amount of days as they had prior to this crisis – 1 in 10 who attempted further access were denied, the majority being shut out altogether

"With reports of parents being locked out of early learning and care just when they need it the most, it confirms the government must act urgently to fix the current system, not talk of a snap back to the old system" Ms Dent said.

"Almost 80 per cent of parents said that even before COVID19 they had considered whether it was worth working full-time at all because of the cost of childcare," Ms Dent says. "Considering the scale of job losses and income reductions now being experienced the fees will simply become

prohibitive and the activity test will further punish families where one or more parent has lost work.”

ECEC services could not operate viably if a third of families pull their children from care, meaning mass closures will result. That puts Australia’s economic future - in both the short and long term - in jeopardy.

“A PWC report commissioned by The Front Project published last year concluded that \$2 of benefits flow for every \$1 spent on early childhood education,” Ms Dent said. “In 2017, for example, there were \$2.34 billion in costs associated with the provision of 15 hours of early childhood education in the year-before-school. From that \$4.74 billion in benefits were associated with providing this one year of early childhood education.”

The Parenthood is urging the government to extend the relief package with a number of key amendments to ensure family day services can operate, increase the subsidy paid to centres and ensure workers ineligible for JobKeeper are offered assistance.

END.

MEDIA CONTACT: For interviews with Campaign Director Georgie Dent call 0400 437 434.

BACKGROUND SUMMARY OF SURVEY DATA

- Total 1343 responses in less than 48 hours.
- Vast majority women – 93%.
- Majority have child(ren) in a Long Day Care setting – 77%.
- Majority have kept the same number of days of ECEC as they did prior to COVID (58%) but 11% reported trying to get more days/re-enroll but were denied.
- Vast majority of parents reported the Government’s fee-free childcare as having a positive impact on their family’s financial position 73%.
- Just under half (44%) have at least one parent earning less as a result of COVID with 17% of respondents reporting both parents have seen reduced income.
- A third of parents (34%) reported they will need to reduce days or remove their children altogether if out-of-pocket fees come back to what they were pre-COVID.
- 59% of parents who have lost income will be forced to reduce days or remove altogether if fees go back.
- For those families who will need to reduce the number of days their child(ren) are in ECEC, 56% will have at least one parent need to reduce their work - 66% of whom are mums - and 5% will have a parent who will need to stop work altogether.
- About a quarter of parents (26%) who will need to reduce days have already had their employment negatively affected by COVID19.
- 67% parents reported the out-of-pocket costs of childcare before COVID were too expensive.
- And just under half (47%) describe the Government’s fee-free childcare response as about right.

- And 79% of parents who have discussed the cost of childcare as a family report that it's likely too high for either them or their partner to work full time.

The Parenthood has launched a campaign to stop the Government's plan to 'snap back' to the old system and instead fix the current arrangements to help ensure parents and children get access to the early learning and care that they need. [Click here](#) to join The Parenthood's campaign.

A not-for-profit organisation, The Parenthood is Australia's leading parent advocacy group with a reach of over 68,000 parents from across Australia.