



Magill Campus
**Community
Children's Centre**
LEARNING TOGETHER, EVERY DAY.

28/5/15

Dear Parents,

At Magill Campus & Community Children's Centre [MCCCC] we are committed to delivering a customer focused and cost effective service. This demands that our business is managed and run in an efficient and responsible manner, and in order to provide a quality service we must continually review operational processes and costs.

MCCCC takes the task of setting its budget very seriously. The main items of expenditure are staff wages and associated costs, food & drink, nappies and insurance. As a not-for-profit community based childcare service we must ensure we cover the budget and also set aside provisions for emergencies, ongoing improvements, etc. The MCCCC operates on a carer/child ratio that works well and is far better than the minimum regulation requirements and aims to maintain the high standards that you as parents expect and want delivered. A 1:4 ratio in the Baby/Toddler (Garden) Room, and a 1:7 ratio in the Over 2's Room. In light of wage increases, the need to employ a teacher from 2014, fuel costs that effect purchasing requirements and CPI increases we must now pass on these increases to our families which will be effective from our billing cycle applicable from Monday 29th June 2015. Please note our last fee increase was 24 months ago (2 years).

Following Governing Council approval the increases will be effective from 29/06/15 and will be as follows:

Fulltime:	\$430.00 per week	[\$86.00 x 5 days = \$430 or \$8.60/hr.]
Daily:	\$ 98.00 per day	[\$9.80 per hour x 10 hours]
am session:	\$65.00 per morning	[\$12.00 per hour x 5 hours, plus \$5.00 for lunch provision – includes morning tea & morning snack upon arrival if needed]
pm session:	\$60.00 per afternoon	[\$12.00 per hour - includes afternoon tea & late snack]

Equipment & maintenance fee: \$6 per week

Governing Council have chosen to abolish the \$30 annual membership fee.

MCCCC offers fulltime and part-time care with a **minimum booking** of two half days or one full day per week. Should you have any concerns or wish to review your level of bookings please do not hesitate to contact the front office staff [Amelia or Penny]. Administration staff will be able to discuss the various alternative options or changes, which may be available to you. Our contact number is (08) 8302 4657 during normal business hours [9am to 5pm] Monday to Friday.

The above fee information does not take into account families entitlements to Child Care Benefit and/or Child Care Rebate. These two payments can assist families with the cost of child care. Even if your Child Care Benefit entitlement is zero due to your income level, you may still be eligible for the Child Care Rebate. Remember eligible families currently can get 50% of their out-of-pocket child care expenses for approved care up to a maximum of \$7,500 per child per year.

Examples:

- 1) If your child attends 1 day a week and you are **not** eligible for CCB but are **eligible** for CCR, your out-of-pocket weekly expense will be:

\$98.00 less \$49.00 Child Care Rebate = \$49 **or** **\$4.90** per hour plus the \$6 weekly Equip/Maint. Fee
Therefore you pay \$55/wk. for one day of care.

The Govt. contribution over the year amounts to \$2,352. If you are receiving CCB then your costs are further reduced.

- 2) If your child attends 3 full days a week and you are not eligible for CCB but are eligible for CCR, your out-of-pocket weekly expense will be:

\$98 x 3 days = \$294 - \$147 CCR = \$147 **or** **\$4.90** per hour plus the \$6 weekly E/M fee
Therefore you pay \$153/wk. for 3 days of care.

The Govt. contribution over the year amounts to \$7,056. If you are receiving CCB then your costs are further reduced.

The Family Assistance Office [FAO] calculates fee reductions using family eligibility information and the online weekly attendance usage information our service provides on weekly Attendance Record reports. Families using approved child care can choose to receive Child Care Benefit [CCB] through weekly fee reductions on Centre accounts or as a lump sum payment. For families choosing to receive CCB as a fee reduction, the level of fee reduction is based on their estimated adjustable taxable income for the year in which the care was received. Their actual entitlement is calculated once actual incomes are known, after the Aust. Taxation Office processes their tax returns. Remembering that all eligible families can also get the 50% rebate on their out-of-pocket child care expenses to a maximum of \$7,500 per child per year.

RECOMMENDATION:

Your benefit payments can be deducted from your weekly account therefore reducing your out-of-pocket weekly child care costs.

Magill CCCC would recommend families choose to receive **reduced child care fees** by having their eligible Child Care Benefit [CCB] and Child Care Rebate [CCR] paid directly to the centre on a weekly basis. This is automatically carried out by the Federal Governments Child Care Management System [CCMS] prior to you receiving your weekly account. You must contact Centrelink on **136150** prior to 1st July to ask for your CCB & CCR to be paid directly to the Centre therefore reducing your weekly out-of-pocket expenses.

We thank you for your understanding and loyalty in this matter and take this opportunity to thank you for your continued support.

Penny Thompson
Director

Karsan Hutchinson
Chairperson

Rising Child Care Costs

In December 2009, the Council of Australian Governments (COAG) approved a new National Quality Framework for early childhood education and care. This included:

- By 1st January 2012 new ratio and qualification requirements were beginning to be implemented progressively, starting with the introduction of 1:4 staff-to-child ratio for children between birth to two years in long day care. Note: *Our service already operated at these quality standards.*
- By 1st January 2014 50% of educators in each service must have (or are actively working towards) a Diploma level Early Childhood Education & Care qualification or above. Other educators have (or are actively working towards) a Certificate III level Early Childhood Education & Care qualification (or equivalent). An early childhood teacher will need to be in attendance at the service whenever the service is being provided to 26 children or more (the teacher would be required to be in attendance at least 6 hours per day) and by 2016 a second early childhood teacher or another suitably qualified leader is in attendance at the service for at least half the time the service is being provided to 60 children or more.
- By 1st January 2016 the staff:child ratios for children aged between 24 months (2 years) to 36 months (3 years) will change to a 1:5 ratio

Over time the above strategies and more that are being implemented by the government aim to strengthen early childhood and family services and supports. This does however come at a cost.

The Governing Council recommends **all families contact** their local, State and Federal members to urge the Government to address rising childcare costs immediately. Currently the Government supports families through the Child Care Benefit [CCB%] scheme and the 50% Tax Rebate scheme.

The CCB% scheme currently **only** addresses support up to a current maximum dollar amount of \$4.10 per hour. Our Centre will be charging a minimum of \$8.60 per hour for full day care with a loading for part-time & sessional care as from 29/06/15. This care maintains the high child:staff ratios, educational programmes, meals, nappy service if needed, children's portfolios, equipment and art/craft supplies. [*How much do you pay a babysitter at home per hour? Do they come with educator qualifications, resources etc*] The Centre is not aware of any child care centre that can operate on a budget of fees charged at \$4.10 per hour, this is certainly an unrealistic figure. **NO** centre can operate on such a low income. How and where does the Government determine this \$4.10 per hour support into the childcare cost equation? Staff and the Governing Council at MCCCC & the Union representing child care workers, United Voice, will continue to lobby the Government on your behalf but it is also time for **parents** to do the same.

**Your voice needs to be heard! Action needs to be taken now!
Families and Communities matter...**

Thankyou for supporting our centre and its hardworking, dedicated staff.