



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

6/6/16

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 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 1:8 ratio in the Over 2's Room during the start and end of each day and improved staff:child ratios throughout the main attendance periods each day. [Usually improved daily ratios between 9:45am to 4:15pm when the attendance numbers are operating at full capacity]

In light of wage increases, 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 4<sup>th</sup> July 2016.

Following Governing Council approval a 2% increase to fees will be effective from 4/06/16 and will be as follows:

<b>Fulltime:</b>	<b>\$435.00 per week</b>	[\$87.00 x 5 days = \$435 or \$8.70/hr.]
<b>Daily:</b>	<b>\$100.00 per day</b>	[\$10.00 per hour x 10 hours] <b>A 20 cent increase per hour OR \$2.00 per day</b>
<b>am session:</b>	<b>\$66.00 per morning</b>	[\$12.20 per hour x 5 hours, plus \$5.00 for lunch provision – includes morning tea & morning snack upon arrival if needed] <b>A 20 cent increase per hour OR \$1.00 per session</b>
<b>pm session:</b>	<b>\$61.00 per afternoon</b>	[\$12.20 per hour - includes afternoon tea & late snack] <b>A 20 cent increase per hour OR \$1.00 per session</b>

**Equipment & maintenance fee will remain at \$6 per week per family.**

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 yearly family 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:

\$100.00 less \$50.00 Child Care Rebate = \$50 or **\$5.00** per hour plus the \$6 weekly Equip/Maint. fee therefore you pay \$56/wk. for one day of care.

*The Govt. contribution over the year amounts to \$2,400. 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:

\$100 x 3 days = \$300 less \$150 CCR = \$150 or **\$5.00** per hour plus the \$6 weekly E/M fee, therefore you pay \$156/wk. for 3 days of care.

*The Govt. contribution over the year amounts to \$7,200. 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% child care rebate [CCR] 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 1<sup>st</sup> July to ask for your CCB & CCR to be paid directly to the Centre in order to reduce 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 1<sup>st</sup> 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 1<sup>st</sup> 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).
- By 1<sup>st</sup> 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 eligible families through the Child Care Benefit [CCB%] scheme and the 50% Child Care Rebate scheme.

The CCB% scheme currently **only** addresses support up to a current maximum dollar amount of \$4.17 per hour. Our Centre will be charging a minimum of \$10.00 per hour for part-time & \$12.20 per hour for sessional care as from 4/6/16. 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 \$4.17 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 \$4.17 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. Child care services also make a substantial contribution to the national economy. It does so not only by producing a service which others buy, but also by supporting parents, particularly those with young children, to work or study in order to return to the workforce. The value of the child care sector is not only *what it produces*, but also *what it supports others to produce*.

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

**Thank you for supporting our centre and its hardworking, dedicated staff.**