

Media Release: 29 May 2007

Steps in the right direction

**Response by the Taskforce on Care Costs
to Minister for Families, Community Services and Indigenous Affairs Press
Release 29 May 2007**

Today the Federal Government issued a press release in relation to its increased funding for childcare.

The Taskforce on Care Costs congratulates the Government for acknowledging TOCC's research findings that childcare had become unaffordable. Acknowledging the issue is the first step in the right direction.

The second step is taking immediate action to reduce the cost of care, and the Government has done that by increasing the CCB by 10%.

"This has taken the edge off parent's financial pain, but it's really a stop gap" says Juliet Bourke, Chair of the Taskforce on Care Costs. "Now comes the hard work. We need to focus on keeping the cost of care in check for the long term, not just in 2007".

TOCC's Childcare Affordability Index shows that the real issue is the exponential increase in the cost of care over time relative to household income. TOCC's research shows that over the last 5 years childcare fees have increased by 65% and disposable income by 17%. "Our Affordability Index shows that costs are rising on average at 13% pa. Increasing CCB by 10% takes parents back to the position they were in a year ago".

The third step will be developing a comprehensive sustainable solution that controls the supply side of the childcare. "Balancing the cost of care vs the cost of staying at home will give people real choice" says Bourke. TOCC welcomes working in partnership with the Government to develop the right solution.

The final step will be shifting the focus from childcare to elder care, to enable employees with elder care responsibilities to make real choices about work and care. This shift in focus will be particularly relevant to those in the sandwich generation, ie those with children and elderly parents.

- ENDS -

Notes

About TOCC

TOCC is supported by over 45 high profile business and non-government organisations. TOCC was established in 2003 to investigate the relationship between work and the cost of care, and propose sustainable and fair solutions to give carers choice. TOCC has found that 1 in 4 workers is likely to leave the workforce because of the cost of care. For more information visit www.tocc.org.au

Media Inquiries: Sean Brogan, Wilkinson Media, Ph: 0407 436 709 or 8001 8820 or Juliet Bourke, Chair TOCC, Ph: 0414 426 939.

