

Childcare cost blowout

EXCLUSIVE

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CHILDCARE costs in Sydney are soaring three times faster than inflation — and taxpayers are picking up the tab.

Fee increases and a stampede of back-to-work parents have created a \$654 million blowout in the federal government's budget for childcare

subsidies and rebates over the next four years. The amount the government spends subsidising childcare fees has overrun the May budget forecasts by \$133 million this financial year alone, to \$4.6 billion.

Childcare Minister Kate Ellis yesterday blamed the blowout on a 9 per cent jump in the number of children using childcare, with 81,500 extra children in daycare this year.

But centres have also been raising their fees, with the

latest Australian Bureau of Statistics data revealing that Sydney families are now paying 6.3 per cent more in out-of-pocket costs for childcare than they did a year ago.

And the nation's biggest childcare provider, Goodstart Early Learning, is warning that new quality standards that require centres to hire more and better qualified staff will add \$150 million a year to the costs of operating its 655 centres — equivalent to a 20 per cent fee hike for parents.

Goodstart's daily fees have risen by \$5.70 this year.

Its chairman, philanthropist and Macquarie Bank co-founder Robin Crawford, yesterday said he had spoken to Prime Minister Julia Gillard and Opposition Leader Tony Abbott directly about the need for more taxpayer support to keep childcare affordable.

"Nobody is wanting to inflict another \$2.5 billion to \$3 billion on the budget but crunch time has come," he told *The Daily Telegraph*.

"What parents can afford at the moment doesn't give you a high quality childcare."

One of NSW's biggest childcare providers, the not-for-profit KU Children's Services, increased its long daycare fees by an average of 5 per cent, or \$4.23 per day, this year. More rises are in the pipeline, as KU has agreed to give its preschool teachers a 14.5 per cent pay rise over the next three years to bring their wages closer to primary teacher salaries.

Australian Childcare Centres Association president Lynn Connolly — who owns eight childcare centres in Sydney's west — said parents were having to go back to work to cope with rising living costs.

"More children are taking up places because the parents have to go back to work to pay the mortgage," she said.

"But the fees have to go up or we close the doors."

Ms Connolly added that unemployed families were suffering the most.

LONELINESS TOO MUCH TO BEAR



ALONE and unsure of where to step next, this polar bear was snapped from a boat in Svalbard — an archipelago midway between mainland Norway and the North Pole — around four in the morning. Walking on broken-up ice floes, the bear appeared tentative, not quite sure where to trust its weight. Polar bears rely almost entirely on the marine sea ice environment for their survival and year by year increasing temperatures are reducing the amount of ice cover and the amount of time available for the bears to hunt marine mammals. Picture: Anna Henly

MOURNING HOWIE

THE theatre world is in mourning following the death of showbiz publicity queen Suzie Howie who yesterday lost her battle with breast cancer.

Howie, the stepmother of actor Noah Taylor, died in a Melbourne hospital four months after her cancer returned.

Tributes came from across the globe, among them John Frost, for whom the 63-year-old had been most recently working to promote a new production of *A Funny Thing Happened On The Way To The Forum*, starring Geoffrey Rush.



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BROTHERS' BRAVE FIGHT

TWO young brothers determined to save the endangered orang-utan are among finalists in today's Pride Of Australia National Medal ceremony.

Daniel and William Clarke have already raised over \$850,000 to save the orang-utans of Borneo and are not about to stop there. They want to reach \$1 million and beyond.

Daniel, 16, has cerebral palsy but it has been his dream to help the orang-utan ever since watching a Steve Irwin documentary.

"We want to talk at the

United Nations about the plight of the orang-utans and inspire the youth of the world to do whatever they feel needs to be done to make a difference," Daniel said.

William, 14, has been alongside his brother all the way. The Clarks have been nominated in the environment category, one of 10 national medals to be presented today.

The ceremony, proudly supported by Network 10, will be broadcast on ONE at 9.30pm tonight.

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EXODUS PAYS OFF

THE axing of more than 800 jobs over the past 12 months has helped dramatically boost Macquarie Group's first half profit by more than 18 per cent to \$361 million.

Despite a lacklustre past few years, Macquarie chief executive Nicholas Moore remained cautious about the outlook as markets remain quiet.

"We continue to expect an improved result in 2013 provided market conditions are not worse than those experienced last year," he said.

Macquarie, which consistently beat estimates before the GFC, is renewing its focus on stable businesses such as funds management.



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