

Media Release

Wednesday 12 November 2008



Children's Services
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NSW Government decision to charge child care licence fees labelled irresponsible

KU Children's Services, Australia's largest not-for-profit child care provider, has slammed the Rees Government's Mini-Budget decision to impose fees on child care licences.

"This will cost KU well over \$100,000 a year and we will have no option but to pass on the costs to parents through increased fees," said KU's CEO, Sheridan Dudley.

"For the Government to do this at a time when parents are already struggling to pay fees as a result of the global economic crisis and where the child care sector is in a state of uncertainty following the collapse of ABC Learning, is especially callous." "We are calling on the Government to immediately exempt the not-for-profit child care sector from these fees," said Ms Dudley. "There is no possible public policy justification for them. It is clearly a revenue raising exercise and it will hit the not-for-profit sector especially hard as we cannot offset the fees against tax."

"Every cent we receive goes back into improving the quality of our services and ensuring they are affordable for parents on low incomes and those who have children with special needs. None of it goes into the pockets of shareholders," said Ms Dudley. "By charging licence fees of not-for-profit providers, the Government is effectively punishing parents who use those services."

"If the Government does not exempt the not-for-profit providers from this fee, KU will be making sure parents know why their fees have increased. We have over 10,000 families a year with children in KU services and we will be ensuring that the additional cost is itemised on every fee statement so parents are in no doubt about who is responsible," said Ms Dudley.

"It is most disappointing that this decision has been made without any consultation with the sector. At a time when Government policy surrounding the corporatisation of childcare has facilitated disastrous results for families and the community, it is irresponsible not to support the not-for-profit, community based providers who continue to provide high quality, secure education and care for NSW children."

ENDS

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