

Dear Committee,

I respectfully submit the following to the SEWR Committee's inquiry into childcare funding:-

The collapse of the ABC learning centre network has exposed a serious flaw in the structure of childcare provisions; the folly of allowing market forces to govern the welfare of children is now obvious. Unless the government is willing to fully fund childcare, however, such a disaster is likely to happen again. Most people would consider the expense of full government funding too burdensome on taxpayers. How then can the balance between competition in the marketplace and children's need of security be maintained?

The most sensible reform would be to provide parents with a childcare voucher which could be used either to help fund a place in a childcare centre, or to compensate parents for loss of income if they choose to care for children at home. This would help improve standards in childcare centres as it would increase competition by providing parents with more options; they could not engage in the kind of cut-throat rivalry which brought ABC down because a crisis could encourage more parents to care for children at home. Moreover, it is a matter of natural justice that parents should have the maximum possible choice regarding the care and education of their children.

In the last decade research has increasingly supported the argument that long day care is damaging to the psychological welfare of children. Surveys of parents have shown that most would prefer to care for their children themselves in their first six months of life. As this is the most expensive kind of care for childcare centres to provide, it makes sense to encourage parents to look after their children at home.

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