



ASU Submissions
Response to the Productivity Commission's
Draft Report on Childcare and Early Childhood Learning
2014

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INTRODUCTION

The Australian Services Union welcomes the opportunity to make a submission to the Productivity Commission in relation to the Draft Report on Childcare and Early Childhood Learning.

The objectives in this Inquiry, as outlined in the Terms of Reference are to examine and identify future options for a child care and early childhood learning system that:

- Supports workforce participation, particularly for women;
- Addresses children's learning and development needs, including the transition to schooling
- Is more flexible to suit the needs of families, including families with non-standard work hours, disadvantaged children, and regional families
- Is based on appropriate and fiscally sustainable funding arrangements that better support flexible, affordable and accessible quality child care and early childhood learning¹.

The study by the Productivity Commission relates to issues which are critical to the future of children in Australia, as well as the broader community, the national economy and the needs of the workforce. The Union is therefore pleased to be able to make a contribution to this important review.

About the Australian Services Union

The Australian Municipal, Administrative, Clerical and Services Union (ASU) is one of Australia's largest unions, representing approximately 120,000 members. The ASU was created in 1993. It brought together three large unions – the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as a number of smaller organisations representing social welfare, information technology.

Today, the ASU's members work in a wide variety of industries and occupations and especially in the following industries and occupations:

- Local Government (both blue and white collar employment)
- Social and community services, including employment services
- Transport, including passenger air and rail transport, road, rail and airfreight transport
- Clerical and administrative employees in commerce and industry generally
- Call centres
- Electricity generation, transmission and distribution
- Water industry
- Higher education (Queensland and South Australia).

¹ Productivity Commission, *Childcare and Early Childhood Learning Draft Report*, Canberra, June 2014, p vi. <http://www.pc.gov.au/projects/inquiry/childcare/draft>.

The ASU is the largest Local Government union in Australia, and represents Early Childhood Educators and other workers employed in Local Government Child Care centres, including Long Day Care, Pre-schools, Out of School Hours Care (OOSHC), and facilitation of Family Day Care (FDC). The ASU has members in every State and Territory of Australia, as well as in most regional centres. We are a community-based organisation and take a strong view about the success of Local Government. Our members tend to live in the communities where they work:

In both urban and regional areas, the local council is often the largest single employer; therefore, uncertainty has significant economic impacts locally. The economic interests of Australian urban, rural and remote communities need a resolution.²

Therefore, ASU advocacy extends beyond negotiated industrial outcomes for members. The ASU has a true commitment to the Local Government industry with a proud history; since 1871, of representing employees and that has a far-reaching effect on the sustainability of all communities. The ASU is a significant advocate and our issues are representative of all Australians.

Local government manages large non-user pay sections of infrastructure across Australian communities, is a community governance and provides a wide range of equitably accessible services for which there is no other adequate provider in a market approach. Early Childhood Education and Care (ECEC) and the facilities in which care is housed are a significant development opportunity and service to communities provided by Local Government; which can be complemented by Local Government coordination of other community health services and so on. Local Government investment alone for infrastructure that supports Child Care is of significant importance to communities and without limits to outcomes, most Local Government infrastructure supports robust communities.

ASU Survey

The ASU conducted an on-line survey over a three week period in August 2014. The aim of the survey was to gather information on the views of ASU members and other community members regarding early childhood education and care (ECEC). With a total of 1,184 people participating in the survey, this response rate is considered to be relatively high by the ASU. It therefore indicates that there is a considerable amount of interest in this issue, particularly within the ASU membership.

Submission Structure

The remainder of the submission is roughly divided into three parts.

1. A summary of key ASU issues and recommendations
2. Findings of the ASU survey
3. ASU comment and recommendations

² Parliament of Australia, www.apph.gov.au 2013. Final report on the majority finding of the Expert Panel on Constitutional Recognition of Local Government; the case for financial recognition, the likelihood of success and lessons from the history of constitutional referenda. [ONLINE] Available at: http://www.apph.gov.au/parliamentary_business/committees/house_of_representatives_committees?url=jsclg/localgovt/finalreport.htm

SUMMARY OF KEY ASU ISSUES AND RECOMMENDATIONS

1. The ASU is of the view that additional Government investment in quality Early Childhood Education and Care (ECEC) is a critical investment in the future of our children and that of the nation.
2. The ASU is opposed to any the watering down of qualifications or regulations that protect the best interests of children.
3. The ASU rejects any diminishing of existing staff child ratios. Such action would increase stress and reduce quality educational for children
4. Low wage rates for ECEC workers appear to be acknowledge in the Productivity Commission's Draft Report but, disappointingly, there are no recommendations made to specifically address this.
5. Workers need to be able to get the balance with work and family life. Employers should ensure they have family friendly workplace conditions in place and appropriate workplace environments.
6. The system in place should be one which will give families confidence that the best interests of their children are being taken into account.
7. Decisions about the 'deemed' rate of subsidy needs to fully take into account the impact on low income parents. Deemed costs should account for the full range of costs – including the payment of appropriate wage levels and conditions for ECEC workers.
8. The ASU supports means-testing in a general sense. However it should be set at a rate which encourages workforce participation of parents. To achieve this, there needs to be adequate funding.
9. Any system of funding services should be fair (for example ensuring the system adequately remunerates workers) and is accountable to the tax payer (ensuring for instance that it doesn't simply increase profits going overseas).
10. For safety and other reasons, the ASU opposes the reduction or elimination of the role of local government in the regulation of the design or quality of ECEC buildings. Similarly the Union also opposes the proposed changes to regulations which currently take into account local community needs - but which the Productivity Commission appears to interpret as "interference" with the operation of the ECEC market.
11. At the current time, grandparents make a valuable contribution to the upbringing of children. However linking their role or that of nannies to government ECEC funding programs is problematic and raises a raft of issues for example, accountability issues,

possible reduction in the educational focus and issues related to the appropriateness of qualifications. In addition, we would emphasise the value of interaction and learning which children gain from being with other children (such as in centre based care and Family Day Care where other children are present). This issue therefore requires further scrutiny.

12. Workers employed in non-standard work hours need flexibility but this needs to be addressed by solutions other than the expansion of public funds to pay for nannies, particularly if it is also accompanied by a shift away from funding for valued centre based ECEC.
13. There needs to be appropriate employment regulation and protections for home-based ECEC workers. (We note that in NSW protection exists via the NSW Government Administrative Appeals Tribunal for Family Day Care workers to appeal decisions of Licenced Family Day Care Service providers.)
14. Paid Parental Leave (PPL) is important, but parents also need to be able to access quality ECEC if they do return to work. Both PPL and ECEC should be seen to operate fairly.
15. Government planning and investment should ensure that quality ECEC is accessible to all who need it, including low income families, families in rural areas and those facing disadvantage.
16. The ASU recommends increased expenditure in a mix of quality ECEC services. Such a mix is possible where local government is well funded to continue to set standards, provide quality care and continue to perform valued regulatory, planning ,networking and supportive functions.

ASU SURVEY FINDINGS

About the survey

As mentioned in this submission Introduction, the ASU conducted an on-line survey over a three week period in August 2014. The aim of the survey was to gather information on the views of ASU members and other community members regarding early childhood education and care (ECEC). To varying degrees the questions reflect some of the issues raised by the Productivity Commission in the Draft Report *Childcare and Early Childhood Learning*, released in July 2014. However, whilst the survey questions do not fully align with those of the Commissions Draft Recommendations, the responses provide a useful insight into the views of survey respondents.

A total of 1,184 people participating in the survey. Tables of the results are captured under topic headings and some comments are provided by way of examples only.

Structure of the Survey

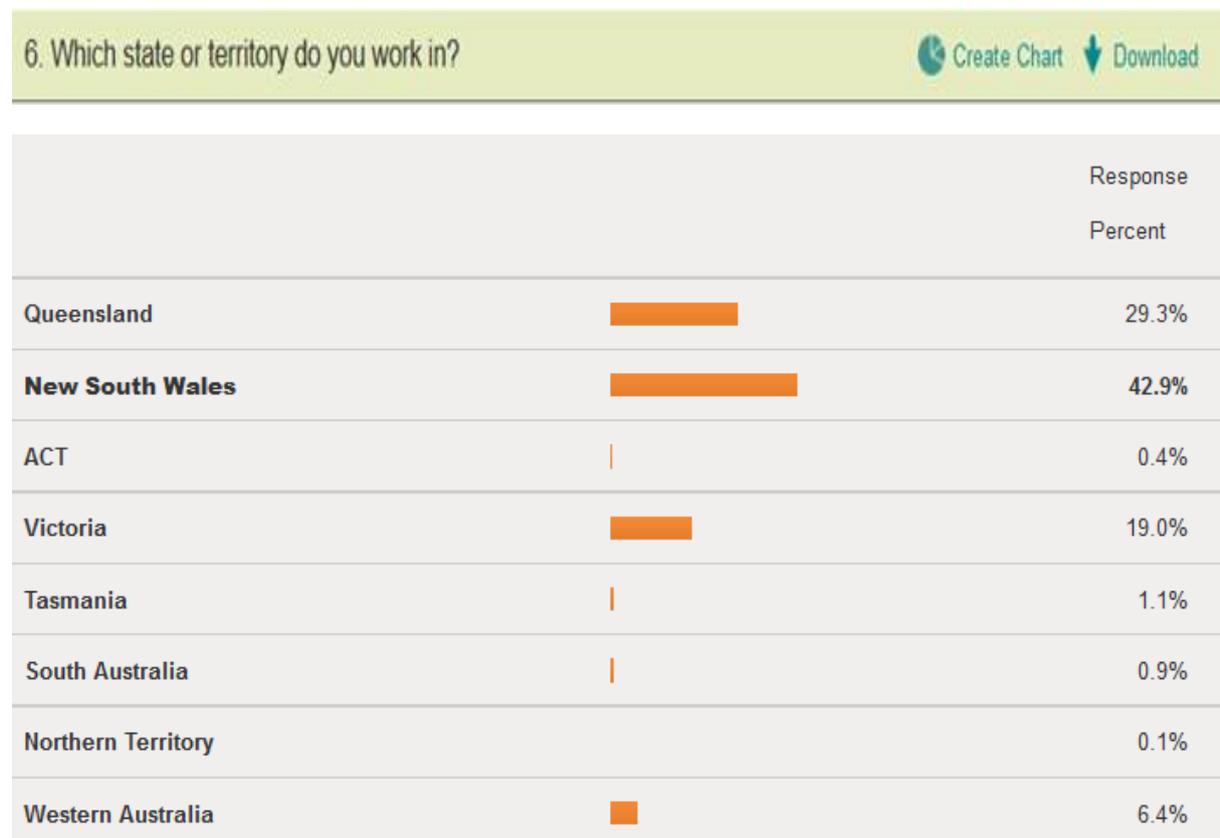
The survey consisted of questions or propositions relating to either the characteristics of the survey respondents or their views on various ECEC issues.

The findings are revealed in the following pages, under various subject headings, and are not necessarily in the order in which they appeared in the survey. It should also be noted not all survey participants responded to every question.

About the survey respondents

Across Australia

The findings of the survey indicate that participants came from all States across Australia, as well as the Northern Territory and the Australian Capital Territory. Whilst some non-ASU members responded to the the survey (as users of ECEC services), the majority of respondents were ASU members and this is reflected in the distribution of respondents across the State and Territories. The table below indicates that a majority of participants were from New South Wales (42.9%), Queensland (29.3%) and Victoria (19%).



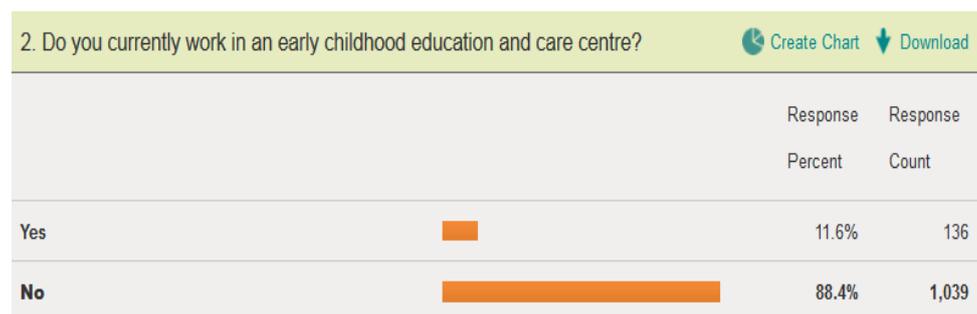
Accessing services

Of the total number of survey respondents, approximately half indicated that they do access child care services for their own children or children under their care. Of those who do access the services, a larger number said they used non-local government child care services (415), while a smaller number said they did use local government run child care services (161).

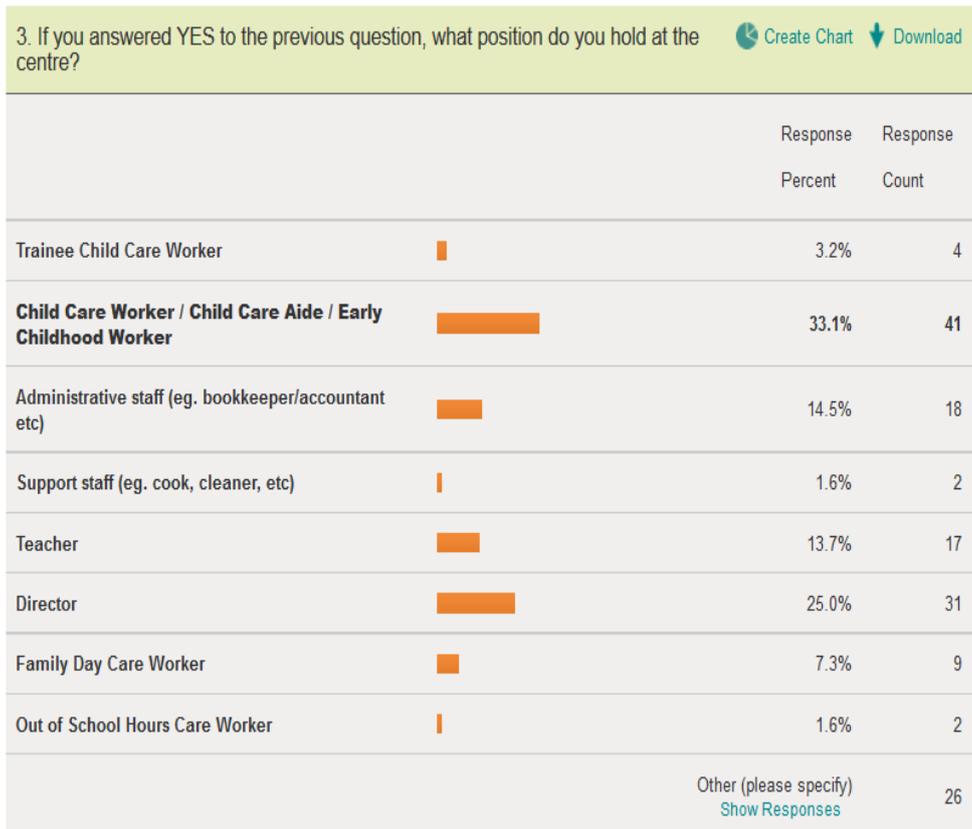


Working in ECEC?

Most of the respondents (88.4%) indicated that they do not currently work in early childhood education and care centres.



However, those who do work in an early childhood education and care centre indicated the type of positions they hold in the centre. As shown in the table below.



Note, the position titles used in this table do not necessarily reflect the exact position titles used in local government or other ECEC services. For this reason, opportunity was provided for respondents to provide additional information about their position.

Those who do currently work in early childhood education and care centres are employed in a range of positions. For example respondents indicated that they hold positions such as: Trainee Child Care Workers; Child Care Worker/Early Childhood Workers; Administration workers; Support staff (such as cooks, cleaners etc), Teachers; Directors; Family Day Care; Out of School Hours Care Workers, Early childhood Educators; Child Development Officers and others.

Local Government employment

Approximately 51.6% of the respondents are local government employees, as the table below shows.

4. Are you a local government employee?			
		Create Chart	Download
		Response Percent	Response Count
Yes		51.6%	603
No		48.4%	565

ASU membership

Of the total number of respondents 1,009 (or 86.7%) are members of the ASU.

5. Are you a member of the ASU (including USU and QSU/TSU and Together)?			
		Create Chart	Download
		Response Percent	Response Count
Yes, I'm a member		86.7%	1,009
No, I'm a member of another union		7.3%	85
No, I'm not a union member		6.0%	70
If you are a member of another union, which one? Show Responses			119

Simplification of the subsidy system

As the table below indicates, a large number of respondents were of the view that as a general principle, simplifying the subsidy system is a good idea. However, additional comments provided by respondents indicated a number of issues which they thought would need to be address. Many comments also reflected scepticism about the ultimate outcome of the simplification process.

7. As a general principle, combining various benefits and simplifying the subsidy system is a good idea. (For more information see Draft Report p45-48)		Create Chart	Download
		Response Percent	Response Count
Strongly agree		26.7%	250
Agree		50.6%	474
No opinion		14.2%	133
Disagree		6.2%	58
Strongly disagree		2.2%	21
		Any comments? Show Responses	103

Examples of comments provided by survey respondents

Simplification can sometimes mean that important corners or exceptions are lost and so simplification is not guaranteed to improve things for everybody

After 4 years of being in the childcare system I do not understand CCR CCB or kinder funding it is such a complex system that doesn't really consider parent needs with the daunting fear of ending up with a bill at tax time.

Combining is fine as long as no reduction but doubtful that government will simplify without reducing.

As long as a fundamental principle is that no family is worse off by doing so.

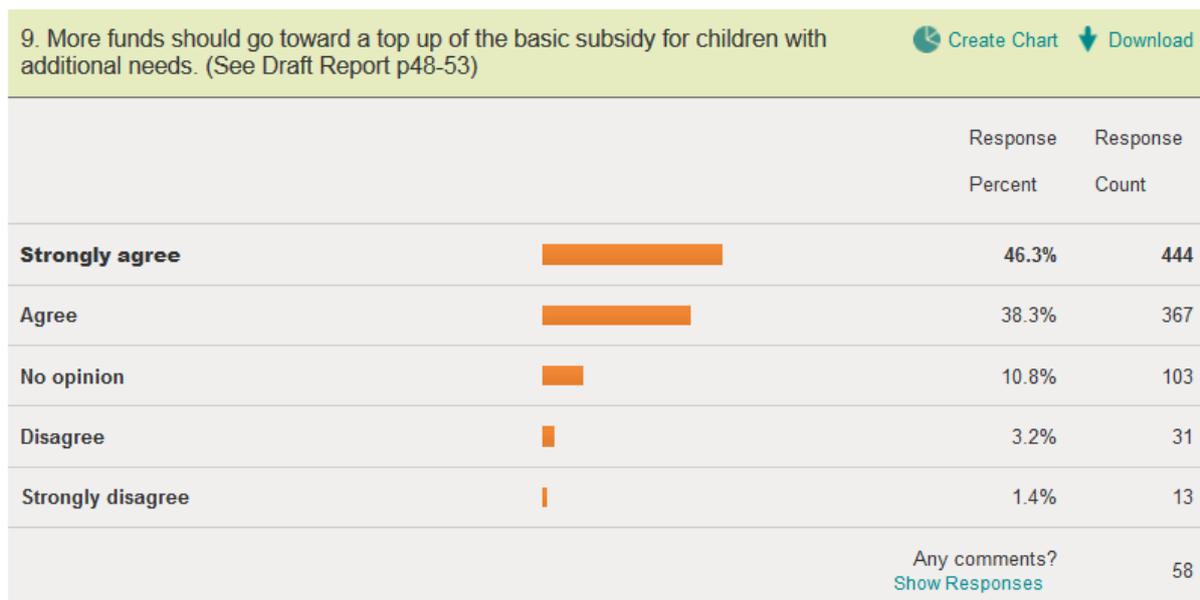
The subsidy system is complex, so in general terms simplifying it is a good idea. But it must be done in such a way that there is no disadvantage to families currently accessing subsidies

Many of our families have poor/low literacy levels and struggle to understand or complete the required paperwork.....

It is extremely confusing when trying to understanding the different rebates and entitlements; even the Daycare my son attends couldn't fully explain it to me especially when trying to understand an exact amount of what we would be paying BEFORE enrolling my son; this could not be determined and at times the Daycare had direct debited more on some weeks and had to take less thereafter? this is due to lack of understanding what amount we should be paying towards the daycare after fully comprehending the entitlements and rebates provide by the Government and Centrelink.

Children with additional needs

As the table below indicates, most respondents were of the view that more funds should go toward a top up of the basic subsidy for children with additional needs. But again, many took the opportunity to qualify their answer or comment on precautions which need to be put in place.



Examples of comments provided by survey respondents

The costs associated with supporting the inclusion of children with additional needs (especially high needs) are very high and difficult for some education and care services to manage.

Also further training for staff to identify some children that may have additional needs that has not been identified. Children with additional needs need extra support, as not only do they suffer it is not provided, all the other children are affected by this child, as may have program modifications to cater more for the child with additional needs instead of for the whole group, for example no excursions for any children, children with special needs shouldn't be left behind, but children in that class shouldn't be affected either. If we don't get the extra funding that is required to assist children with additional needs, all our children suffer!

Funding needs to be commensurate with need - if the basic subsidy isn't enough there should be flexibility to provide the funding needed to assist children in this situation to be better included in our community.

There's not enough money for Centre's to support children with additional needs

However, alternative perspectives were given by some people, for example:

Funding should go towards making centres inclusive for all children rather than singling out a child to be treated differently. Studies have shown that an inclusive environment benefits all children, regardless of any additional needs. If the centres are set up inclusively, no extra funding would be required and all children attending the centre would benefit.

Much more funding should go into early assessment strategies as early intervention is crucial.

Funding for rural, regional and remote areas

This particular issue, of funding programs for ECEC providers in rural, regional and remote areas in low demand periods, received a fairly decisive response. As can be seen from the table below, 45.7% of respondents agreed with the proposition and 39.2% strongly agreed.

10. The Government should establish funding programs for ECEC providers in rural, regional and remote areas that will enable them to continue to operate when demand temporarily falls. (See Draft Rec. No. 12.5 p52) [Create Chart](#) [Download](#)

		Response Percent	Response Count
Strongly agree		39.2%	375
Agree		45.7%	437
No opinion		11.5%	110
Disagree		2.6%	25
Strongly disagree		1.0%	10
		Any comments? Show Responses	50

Examples of comments provided by survey respondents

Children in these areas deserve ongoing access to ECEC and will be at risk of further disadvantage without it. EC Educators also deserve job security and the relationships established between educators, children and families in the community are an invaluable resource. "Fall in demand" would probably occur during periods of high unemployment etc and cutting services would increase stress, reduce support for children and families and increase risk of harm to children

Yes, but the model they [the Productivity Commission] propose does not provide enough funding certainty for services

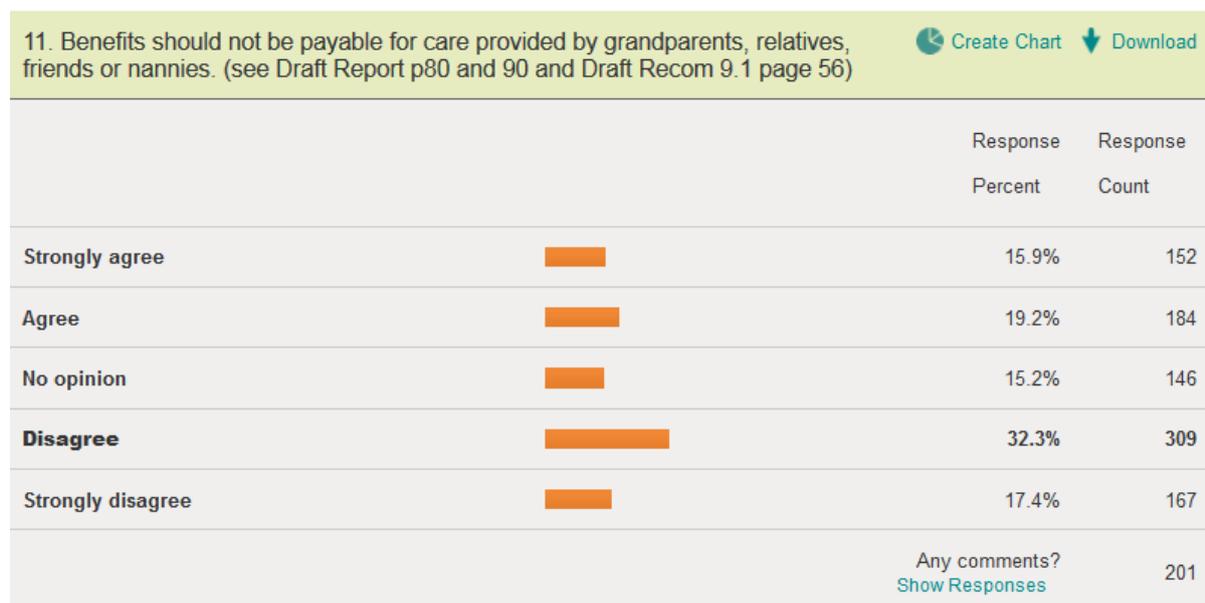
Continuity of services available is essential. rural communities suffer the most when a centre closes as there are not alternatives available in the nearby areas. This results in greater travel times and possibly sleep deprives little kids. For little kids to travel three or more hours per day to attend ecec is a disgrace.

Once again, dependent on whether the ECEC is Government owned or privately owned. I don't support privatization of Child Care.

rural and regional areas are penalized enough already in so many ways and a boost in funding is necessary and vital in these areas. Discrimination on a geographical basis is not on, or rather shouldn't be on

Funding for grandparents, nannies and others

Unlike responses to questions thus far, this question about benefits received a very mixed response. It also received a high number of additional comments (201) – indicating a fairly high interest in the topic with people wanting to provide more information.



Examples of comments provided by survey respondents

The large number of comments presented issues from a variety of views.

Some respondents discussed the benefits resulting from increased flexibility that such arrangements may provide, for example:

There are some cases where other arrangements do not work for families, such as people doing shift work, for families who have a child with a disability who have major trouble getting appropriately skilled carers for their child and those living in remote and regional areas where there are few if any options of child care.

At times children cannot attend childcare either because there is no vacancy or the child is ill, though as a parent we still need to attend work. Allowing this would ease the burden given we still have to pay the childcare centre when the child is ill and cannot attend. If it was regulated at a max number of days per year.

This is a neglected area of great need! Shift workers and stay-at-home-parents have little support for childcare that suits all needs. For mental health, a priority to be noted in this country, stay-at-home parents should have more options to allow for childcare that is random and casual, but safe and of good quality. Shift or night workers, or people who travel for work, also require alternative care, which also needs to be safe and of good quality. Nannies provide an easy and regulated kind of solution. Benefits for registered and qualified nannies should be in place without a doubt. A supportive payment for carers that are needed in a casual way, at night, or less than part time as already covered by current funding. This ensures that all people are able to secure reliable and safe childcare, when even friends and family are concerned, who often sacrifice to help out.

Depends on the situation, some parents can't get to childcare in rural areas

Some respondents discussed the strain placed on some family members when they provide care. Others also discuss the advantages of paying or rewarding family members for provide care. For example:

As a grandparent it is a financial strain helping with child care

Some payments should be available, but less than what is provided to accredited care givers.

It would be nice to recognize the role these groups play in supporting families by providing childcare. Both my mother and mother in law cared for my infant son when I returned for work. My mother in law permanently dropped a day of work to help us out.

Some respondents discussed the importance of getting the mix right and the funding directed to appropriate providers. For example:

Although I think grandparents should be rewarded for helping care, I think it is very important that children attend ECEC for an education and to socialise with other kids. I think a mix of ECEC and grandparent care is best.

We spent a lot of time and resources assisting to raise my granddaughter, as there were gaps in services, but money should not go to families, the primary place needs to be appropriate providers.

There were frequent comments made about possible “rorting of the system”, for example:

You'll have a 2 tiered system of child care. In addition the government know that their are providers rorting the system now - just wait I say!

If paid cc paid to grandparents, friends, nannies it will be RORTED!

I think it would be very hard to administer payments and ensure that the system isn't being abused if payments are opened up to relatives and friends.

Where this situation applies i.e. in remote areas or where it may be more achievable and assist a family that cannot afford childcare support then why shouldn't this help them if their family is supporting them. But this would need to be on assessment and not just as cash cow...

There were also many comments made about the need for adequate regulation and monitoring.

Benefits for Nannies if they follow Early childhood education guidelines/policies etc just like family day care educators.

Funding should not be provided for 'baby sitting services' Standards and monitoring of care would be difficult.

I think Nannies should be treated differently to grandparents and friends. for some people who have multiple children this may be the most affordable option, and for those working irregular hours it may be the only available option. more thought needs to go into the working conditions for nannies (i.e it would be better if they were directly employed through a centre and then performed their work in someone's home than being directly employed by the parent or being self employed - this would provide access to benefits and continuity of service etc)

this is not a regulated ECEC service that meets NQS so should not receive funding or benefits

Only approved services under the NQF. If they don't meet quality standards they shouldn't get subsidy. Govt. Money must ONLY be utilized for high quality ecec experiences

UNLESS covered by the same education and care standards as services provided under ACECQA quality assurance - these children do no deserve less than their peers.

Benefits should be restricted to early childhood trained educators who are working under the National Regulation.

How will this be monitored from a financial and safety perspective?

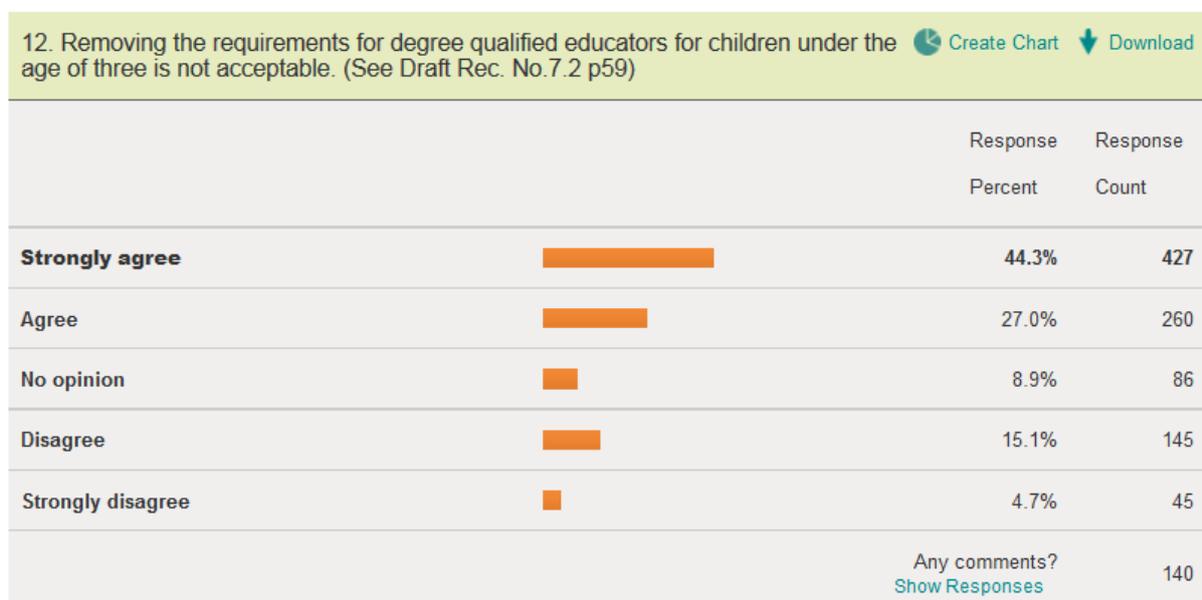
Nannies could come under a local Family Day Scheme to ensure that they are in line with the National Quality Framework, Law and Regulations

Qualifications and Quality Standards

Introduction

A number of Productivity Draft Recommendations have the potential to weaken some of the requirements which currently help to ensure quality education is provided to children in Early Childhood Education and Care (ECEC).³ With this in mind, the Union included a number of propositions within the survey, aimed at eliciting responses on issues relating to staff qualifications and quality standards.

The following results relate to the issue of degree qualified educators working with children under the age of three:



As can be seen from the data, the results indicate that a large proportion of respondents agreed that the removal of requirements for degree qualified educations for children under the age of three was unacceptable. Indeed, 44.3% strongly agreed with the proposition that the removal of requirement was not acceptable.

Examples of comments provided by survey respondents

The following are examples which highlight the concern about the removal of requirements for degree qualified educators for children under 3 years of age:

³ For example see Draft Recommendation 7.2 on p59 of the Productivity Commissions Draft Report.

I have seen how much my 18 month old has benefitted from attending a centre with degree qualified educators.

Recent research show the first 3 years are the most vital in terms of brain development and the education and care provided by trained professionals the most effective. Put the two together at the [same] time will be most productive!

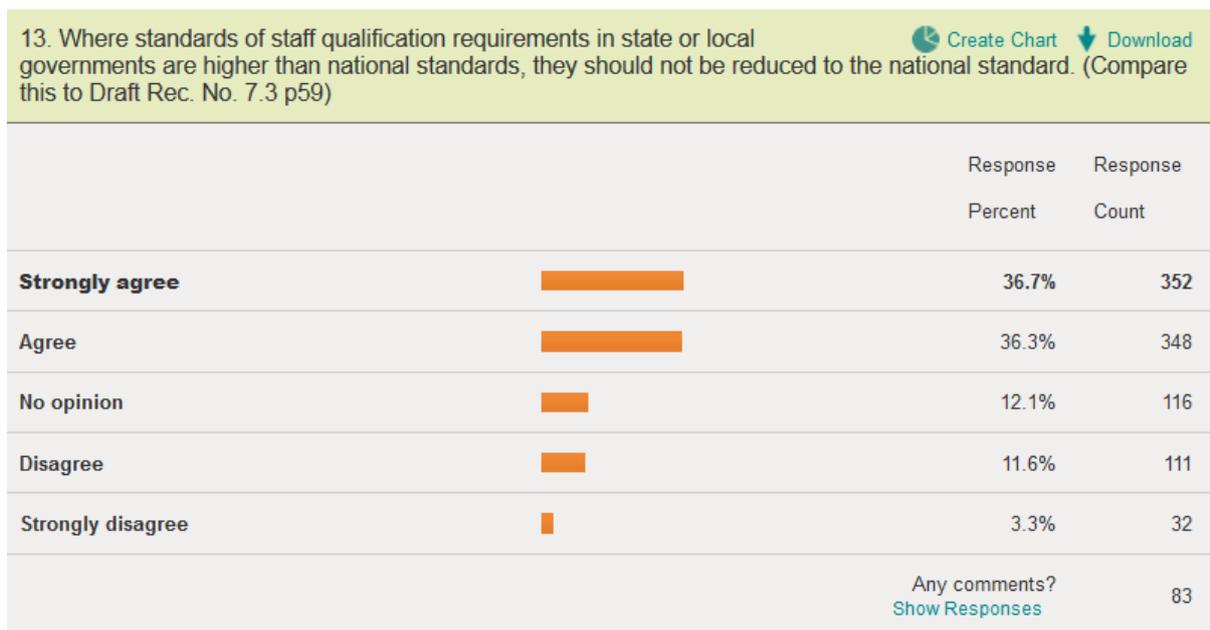
Qualified staff are required to have an understanding of children’s learning and development, as children begin learning from birth. An educator needs to be able to assess children’s learning to be aware when milestones are not reached and early intervention services are required.

However, of the relatively small proportion of respondents of the opposing view, we note the following example:

I believe that education is not essential at the age of three. Children at home with parents who are not degree qualified are often as well looked after as those in other situations.

The next issue in the ASU survey also related to staff qualification requirements. In some state and local government jurisdictions some standards may be higher than the national requirements. The proposition put to survey participants was therefore whether, in cases such as these, the higher standards should be allowed to be reduced.

The results indicated that a significant majority are opposed to the reduction of state or local government staff qualification requirements, as can be seen below.



Examples of comments provided by survey respondents

Childcare is not a baby sitting service. We should be setting the highest standards. The first 5 years are the most crucial in a child's development. We should not lower the bar but strive to make our child care centres and facilities world leaders.

if this is the case then the national standard needs to be reviewed in conjunction with state or local governments qualification requirements so that there is a uniform approach

The National standard should be the minimum. Anything above is a bonus.

High qualification of staff members yields high learning outcomes for children and their families.

I think we need to have uniformity across the country so if people move interstate they are deemed qualified.

Strive toward continued improvement, do not downgrade hard-won and well researched advancements. Use these services as a benchmark

I agree in principle. However, if this question is referring to requirements to replace absences of ECT qualified educators with ECT qualified (as in NSW) rather than Diploma Qualified, then I have to add that this becomes very difficult in remote rural areas and therefore a hard & fast rule disadvantages these services (especially when connected to the assessment & rating system) A fair system is required that recognises difficulties in accessing qualified staff in remote rural communities.

To lower anything to the lowest common denominator rather than the highest makes no sense when the goal is to improve standards and outcomes for children. This is simply a money saving idea supported by privatised centres that wish to improve profits.

I would never think moving backwards is a good thing, regardless of the industry you are talking about. Surely it makes more sense for the National Standard to be lifted than the state/local ones to be reduced???

This is the reason why I have waited for over a year to get my child into a local government childcare service versus a private service!!!

14. Lowering National Quality Standards should be avoided. (A range of recommendations appear to have the potential to lower NQF standards)		Create Chart	Download
		Response Percent	Response Count
Strongly agree		57.2%	547
Agree		31.1%	298
No opinion		6.7%	64
Disagree		4.0%	38
Strongly disagree		1.0%	10
		Any comments? Show Responses	62

Examples of comments provided by survey respondents

The standards should not be lowered. The standards are the basic minimum that services should be doing to provide quality care. Lowering the standards will result in a lower quality of care for children.

generally agree, but standards need to be revised from time to time, so that overall outcomes are kept high.

It is always beneficial to have people better qualified but they need to be paid accordingly, not abused by low pay rates.

In order to meet the Melbourne Declaration on Educational Goals for Young Australians (MCEETYA), lowering the National Quality Standards must be avoided.

Basically if we lowered the standards we will find some services will be highly sought with extremely high fees (for the people who can pay) & everyone else will have poorer quality because they cant afford

I don't believe the NQF is the best way to regulate children's services, however until there is a better system standards should not be lowered

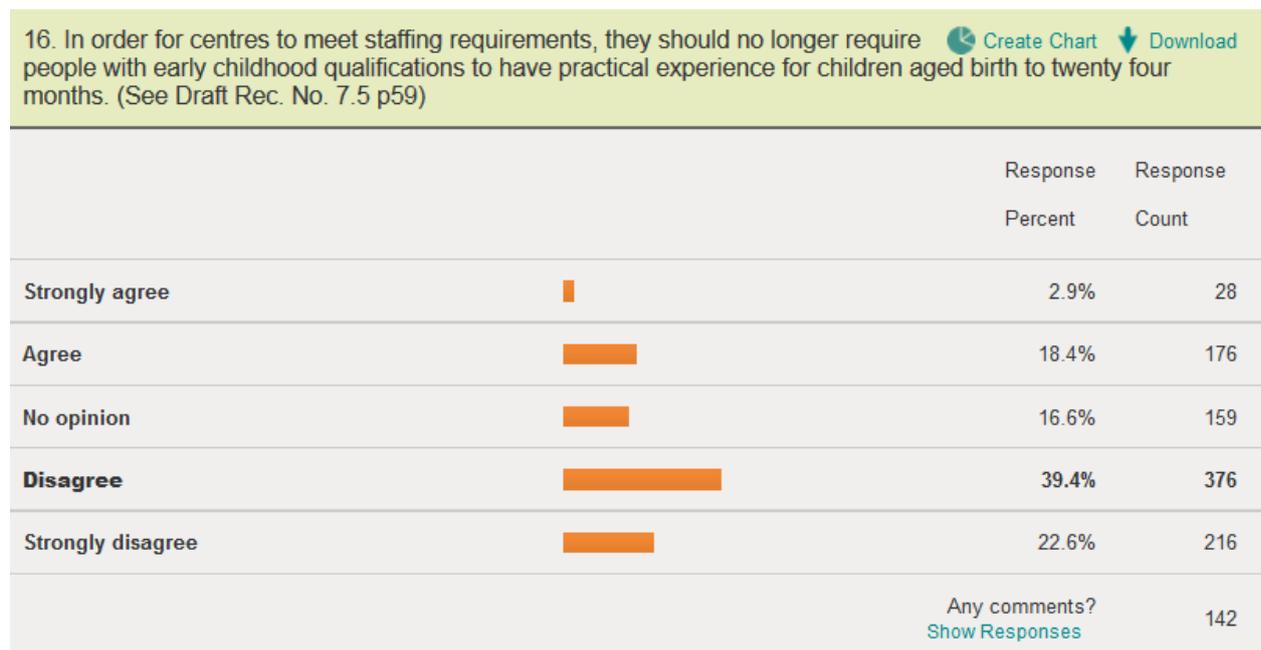
There are many centres that only perform well to pass assessment during the assessment period. A lowering of NQS may make this occur even more. Research shows that high quality ECE has positive outcomes for children in the short and long term. ECE should be aiming higher rather than lower.

These staff will be placed into trusted positions of society. High quality training is important so staff are fit for purpose and suitable to the important/delicate role they fulfil. We don't want anyone of the street who are not serious about their profession/job looking after our young who are highly impressionable and vulnerable.

We work very hard to maintain our fantastic superior standards and this should not be ruined by poor government management team who are looking to save money on every expenses!

Our experience with the NQF has been positive - although initially time consuming.

The following survey issue relates to whether there should no longer be requirements for people with early childhood qualifications to have practical experience for children aged birth to twenty four months.



As the table above indicates, the majority of respondents were opposed to the removal of the requirement for practical experience (39.4% disagreed with the removal and 22.6% strongly disagreed with the removal). However, a significant minority (18.4%) agreed with the proposition and 16.6% indicated that they had no opinion on the issue.

Examples of comments provided by survey respondents

qualifications should mean that you have received on the job experience

My child is in this age group and they require particular care and nurturing in their education. The practical side of working with this age group is essential. People need to know how to change nappies, care for nappy rash, help children feed, wash hands, drink water. Caring for this age group is VERY important as they are the MOST vulnerable of all. They cannot communicate their needs as easily so you need someone very in tune and experienced to understand their needs

Graduates have to get experience somewhere - maybe there should be a ratio of experienced to relatively inexperienced

I'm sorry this makes no sense to me ... why would educators working with babies need less experience or qualifications? All research points to 0 - 2 years as being a vital time in a persons life and one of the fastest periods of growth & development across their lifetime, especially in language and socialisation (both strong indicators of long term outcomes & success for children). Reducing the experience or qualifications of people working with people of this age would be detrimental both socially & economically.

Both academic and practical experience are important in any teaching qualification. Why should babies and toddlers (some of the most vulnerable members of society) be any less important.

I think it is very important for staff to have practical experience with children - especially new borns and toddlers. There is so much that could easily go wrong, without the right experience. It's hard enough with one or two little ones in your care but even more so when in a Centre of 40 children. There are lots of distractions, etc., and having people who are experienced and properly qualified is what tends to put most parents' minds at ease.

There should always be a degree of practical experience required for any position, whether childcare or otherwise. If it isn't already, this should be built into the qualification structure to enable students to attain the qualification but be able to present themselves as attractive employees with the required minimum of experience.

Child/Staff Ratios

The ASU noted with concern that some Draft Recommendations (such as 7.3 and 7.5 at page 59) may lead to the weakening of staff to child ratio requirements in some jurisdictions.

The ASU put a proposition to survey participants relating to staff to child ratios in order to gain some views on this. The proposition and the responses are shown below.



A total of 956 people responded. The results indicate that 60% of respondents disagreed with the proposition to varying degrees (22% of them Strongly Disagreed and 38.4% Disagreed) . In other words most respondents were opposed to increasing the number of children for which staff members have responsibility in certain programs or situations.

Examples of comments provided by survey respondents

As long as safety is not jeopardised the staff to children ratio can be altered. Maybe not changed for centres with children with special needs (due to physical or intellectual disabilities or behavioural problems).

In pre-school environments this is acceptable, however, for the 0-3 age groups ratios need to be maintained.

They already have many children to tend to. The ratios are also based on the demands of the age-group.

The ratios are in place for a reason. Child care staff should not be put under more stress.

The NSW ratios are good. Increase the pay rate of the childcare workers and increase the subsidy so that women can still choose to go back to work. More pay will equal better staff retention and better care

Kids need appropriate supervision. Childcare is a social responsibility and should not be for profit.

Lower staff to child ratios provide greater Education and care for children.

QUALITY CARE depends on ratios which can consistently deliver responses to all children. Improvements in ratios have been consistently shown to improve outcomes for children and staff and should never be compromised.

The current ratios (from 2016) will be appropriate. I believe that group sizes should also be regulated to avoid creating noisy, chaotic or impersonal care.

Work loads are already to high. Reductions not expansion

Educator to staff ratios provide basis for implementation of national quality framework. Children deserve care and attention in their early childhood and care settings. Prod Commission should consider workforce development to support the continued development of the sector and opportunities for employment.

Only for older children (e.g. kindy) as I think the ratios are there for a reason to provide quality care for our children. Once children are old enough to be more self sufficient this is okay but otherwise I think they struggle sometimes as it is with the younger age groups to ensure they get the care they need for their age and as a mum I don't want this to reduce or my guilt at leaving them would increase and I would likely reduce my working hours accordingly.

International qualifications

Whilst the issue of approval of international qualifications received some diverse feedback, it is clear from the results that a majority of respondents approve of making requirements simpler and more flexible so long as there is robust verification of the quality of the qualifications. Any bridging courses used to update educational levels should also be of a standard that would help maintain quality levels of ECEC.



Examples of comments provided by survey respondents

International qualifications must still be robustly verified

International qualifications need to be recognised within the Australian Qualification Framework to meet the quality service standards and to maintain consistent level of care.

A simplified, but robust structure is required.

Absolutely, there are many internationally qualified early education workers with loads of love and experience to offer our kids, and diversity and culture should be embraced in early childhood environments as it helps to promote equality and tolerance

It is important to ensure anyone with training elsewhere is up to the same standard as those who are trained here

It depends on what 'simpler and flexible' means. Does it mean a watering down of standards?

Requirements should be thorough and quality should not be compromised to make the approval process simpler (which usually occurs).

I find it very frustrating to have a carer of my child who cannot speak English well. The early years are when our children learn so much when it comes to basic pronunciation and word use. I do not object to international carers, in fact some of the best carers are internationally trained these days, its just that I believe they need to have a better grasp of the use of the English language.

Mindful of 457 visa and taking away jobs from the young qualified at a lesser rate.

This will create the possibility for many highly qualified people from other countries to be recognized, and will ease the pressure of staffing.

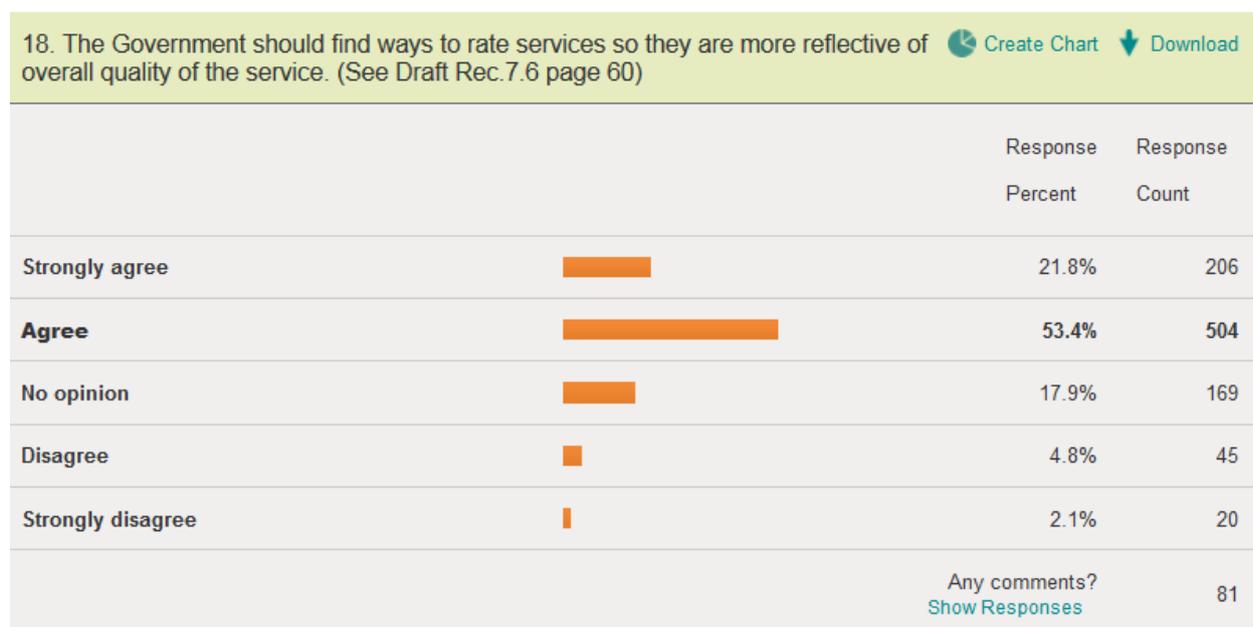
I don't think it should be made too easy for someone coming from overseas. How can we be sure they go through the same standards as we do in order to qualify? Again, it's a big deal for any family to leave their children in the care of "strangers" - this is something we can't be too careful about.

I have a few friends who have a Bachelors Degree in Teaching in New Zealand which isn't recognised here. She is very patient and her children are being taught at home how to read and write and know how to spell and write their names at 3yrs old. In these circumstances, I would highly recommend that international qualifications should be made simpler and flexible; as she is too a stay at home mother who doesn't have the flexibility to change her qualifications without having to place her children into a daycare provider in order for her to teach kids from home namely, my son who would be able to attend home care.

this makes sense in a multicultural society, and will go a long way towards provision of culturally and linguistically appropriate services

Rating services

There was strong agreement from respondents that the government should find ways to rate services so they are more reflective of overall quality of service. However, many of the respondents were also aware of the difficulties which would be faced in trying to achieve this goal.



Examples of comments provided by survey respondents

It is difficult to do this as no two families will have the same experience. What works for one child will not necessarily work for another, even from the same family! As long as exceptional standards are maintained, and that children are well cared for, that is all that matters.

Although, it would be worthwhile to complete the current rating system initiative and review it rather than begin the process from scratch.

Assessments should be able to promote the achieving areas as well as the working towards areas. Services can be achieving in one area and not the other, however the less achieved area affects the rating more. Focus on both!!

I don't believe the Government should rate the services. I believe the consumers of the service should rate it and for the results to be more reflective of how each community views the service they receive.

Sounds good but would be open to abuse if it was a way to increase funding or rates

the current NQF does this so don't change it

the current system will eventually weave out those dodgy operators that are out there to make a profit and compromise quality -these children are out future lets invest in them now

The existing assessment is based upon the overall quality of the service. This is another attack on the NQF and standards to reduce requirements upon centres to comply with and seek quality improvements to their services.

Sometimes there is no choice in providers. It comes down to where there is a vacancy and when/how long it is available due to work commitments/duties.

Small Centres have limited resources & do not have economies of scale for compliance and reporting. The care given is high quality but centre has difficulty with administration of standards etc.

All services should offer similar quality services. Any gaps or perceived gaps between quality in services will just serve to widen the gap between the "haves" and "have nots". This will increase demand for some services and reduce demand for others. I already see this geographically, I myself have been selective in the service I have chosen and the socioeconomics of the area was a consideration. If a rating was part of my consideration I would have held off returning to work until I could get a place in a highly rated service

I think any childcare facility, or private person doing child care (other than family or friends of a child providing child care to only a family member/friend) should have to meet an accreditation standard annually or bi-annually, just the same way hospitals and aged care facilities have to. However, I think that we need to be mindful of then "establishing" another government department to monitor and manage this, thus costing the tax payers more money. I think we also need to be

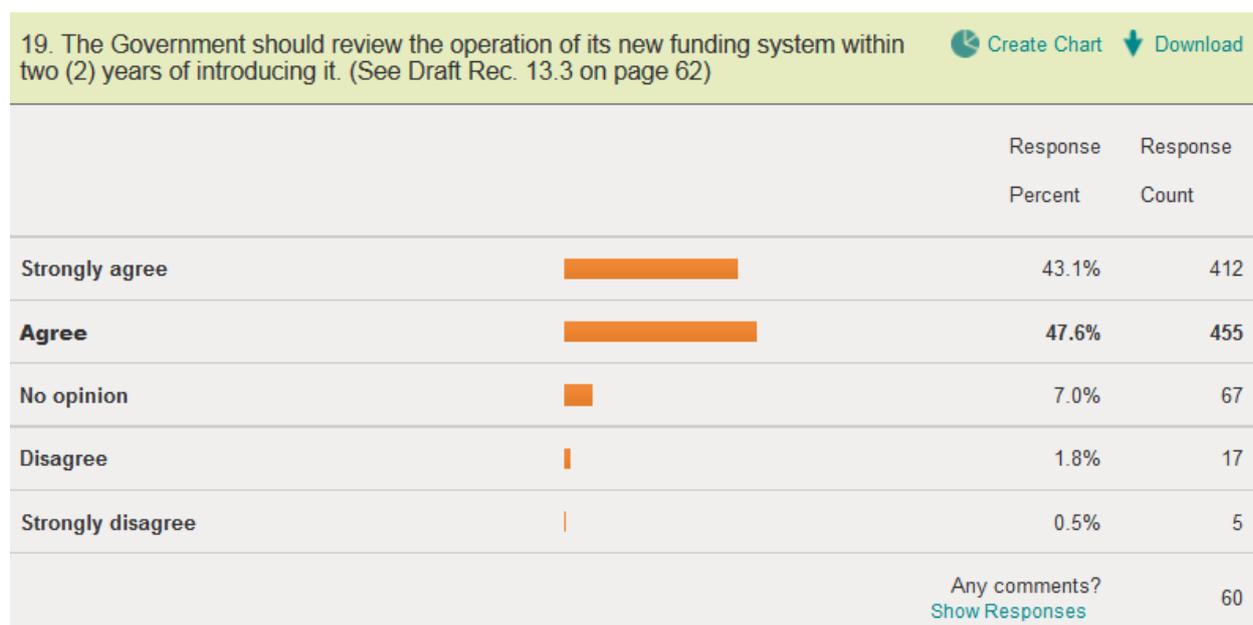
mindful of the fact that it is so easy for providers to make things look better than what they really are when they are being rated/audited. I have seen this happen all too many times in the health industry and safety industry, when auditors come in and magically all training and assessment is 100% or all programs rate very highly, despite the fact training has either not occurred at all (but on paper it apparently has), or where it has occurred, it is not in line with the proper standards and procedures. Maybe the services could be rated by the consumers, with some auditing conducting by the government but again this would need to occur with no cost to the tax payer considering everyone is already struggling.

Rating of services would need to be transparent and based upon further engagement with industry and providers. There are already huge waiting lists for well operated centres and a system that rates centers would further exacerbate this problem in areas that are oversubscribed.

this is not the issue. there shouldn't BE low grade care, because what parent will feel good about putting their kid in that one, just because they are the only one with vacancies (as is the current usual decision making criteria).

Review of operations

Respondents were overwhelmingly in favour of a government review of the operation within the two years of introducing it. However, some thought it should be sooner and some thought it should be later! Comments were also made about the importance of ensuring that the review process was independent.



Examples of comments provided by survey respondents

As part of the introduction of any new process, it is very important that a review takes place to ensure that it is working efficiently.

Independent review

Reviews always need to be conducted ongoing.

They should review any system every 2 years.

should be 12 months

With any new system, it is imperative a 360 degree review is undertaken, to evaluate whether the new system achieved its intended goals, to consult with the

community obtaining a full customer engagement survey specifically addressing system performance and community expectations while also obtaining improvement ideas at the same time, obtaining feedback from service providers to rate performance, implementation and their expectations of the system. Finally, to review the system for relevance to ensure it continues to meet purpose.

*The review should be made public and incorporate public submissions
I think it should be reviewed every quarter, then there can be changes made more quickly.*

Any changes need to be given time to work. It probably should be reviewed with 3-5 years.

Review with an unbiased and external committee that can assess where improvements can be made to save money or improve the system.

an audit/ review step is a normal step in any quality process. Suggest an additional intermediate, early indication heart-beat check after 1 year of introduction

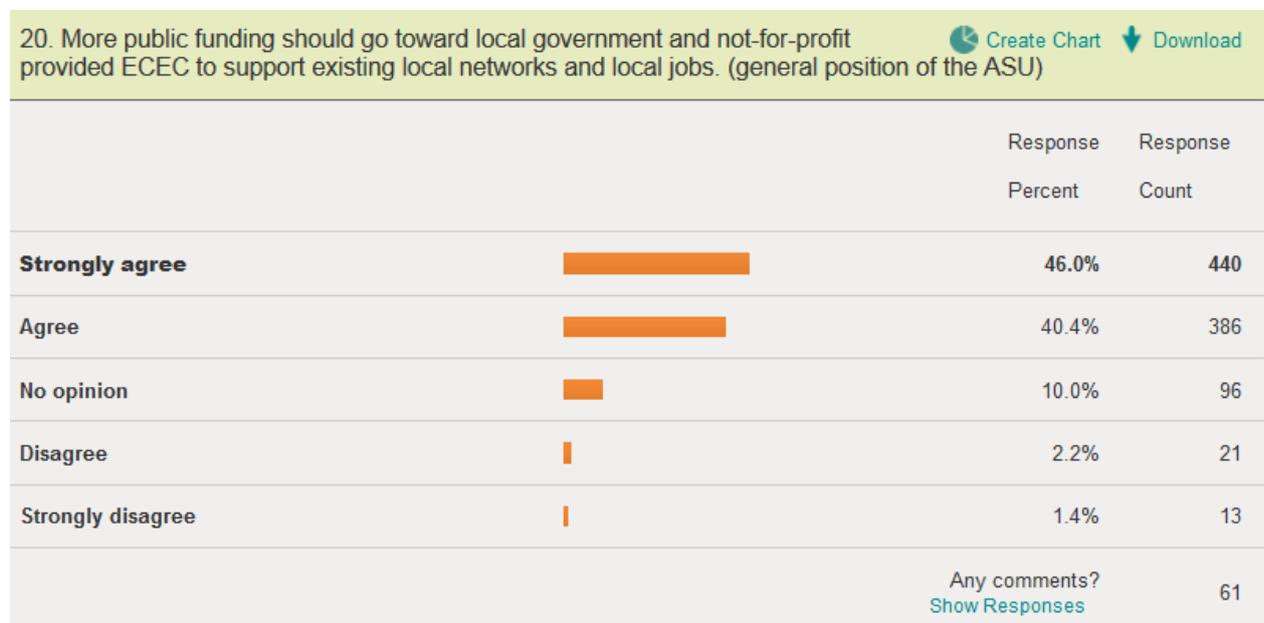
That review should include a survey of parents and child care workers (not just the child care centre management) to gauge the system.

Review to determine functionality and suitability for low income earners, as well as working families

Funding for local government and not-for-profit

The table below indicates that there is strong support for more public funding to go toward local government and not-for-profit provided early childhood education and care to support existing local networks and local jobs.

Many respondents took the opportunity to caution against privatisation measures and strongly believed that public funding should not enable profit making from ECEC services. A small number took the opportunity to comment that private operators are an important part of the mix.



Examples of comments provided by survey respondents

Agree with taking private sector out of all services. Taxes should not make their way into private pockets

Childcare is a government responsibility. The future of our kids should not be profit-driven.

There is no place for profit at primary or secondary level education and it should be the same in early childhood. All money made by private centres should go back into the centres and not into pockets.

Better quality of care was provided when it was mainly provided by not for profit centres

The majority of private for profit Family Day Care Schemes are not using the funds in the correct manner. Many women who work in the private for profit schemes are being exploited with low salaries (sweatshop). As a non profit scheme we offer monthly & as needed support visits that take between 1-3 hours. In these visits the staff monitor the progress of the children's development & provide programs to help the Educator support that child's needs. For example Speech & Behaviour issues. The profit schemes are offering Certificate III for a fee & no training. The funding that the government provides should be earmarked and spent on Educators training, equipment and to provide highly qualified staff to care For the children.

Childcare is expensive I loose half my salary a week. I use a NFP centre and I believe that the service that they provide is child focused. I have previously used a private centre and I can certainly say that the focus is around profit not the children.

I work for not-for-profit organisation where I know the money benefits children and families and our society.

Local government and NFP childcare is the best quality care in the sector.

This would be good, although in my area there are no local council run centres. This doesn't seem to be a model used in South East Queensland from my understanding.

My experience is that private providers are very similar and fill an equally important role in the community - availability is the key issue, not the provider. If we encourage more private providers, regulated through the same system, there will be more centres which is what we need.

Paid Parental Leave and ECEC

There is considerable complexity in this proposition and some respondents were firmly of the belief that the issues of Paid Parental Leave and that of ECEC should not be lumped together or pitted against each other. Nevertheless a majority of respondents agreed with the proposition and 122 took the opportunity to make additional comments which presented a variety of views.



Examples of comments provided by survey respondents

paid parental leave is a different issue to childcare

length of paid parental leave is an issue for many parents. I don't think it should be an either/or issue. Supporting parents and children to access early childhood care and learning is criteria.

I survived without paid maternity leave. I could not perform the job I have without access to day care and before and after school care.

In 2 minds, the paid parental leave will benefit myself but more money in ECEC services will benefit a lot more

investment in early childcare much more important than replacing wages for working women on maternity leave. The current parental leave scheme is more equitable for everyone

PPL provides job security and financial support at a crucial time

Family Day Care Services would greatly benefit from redirection of this money to enable FDC to continue without reducing quality and level of Service support to FDC Educators and without the significant increase in parent fees which will occur without the Commonwealth operational subsidy for FDC Services

That money should be directed to pay educators the wages they deserve because they are the key to high quality Childcare

I think the PPL scheme is ridiculous and does not enhance social justice for the disadvantaged.

Should be increased for the low income NOT people who earn more.

This should not be a question of one or the other. I think both should be considered in isolation. I believe those early months/year is so vital for mums to be able to be at home with their children so having paid parental leave is outstanding. However once you get past that time - and you can no longer survive on one wage and you need to return to work, to have good quality Childcare, is then a parent's greatest concern, without taking all the money off you that you are earning, in order to do it. I actually think both schemes need to be funded. Perhaps lowering the salary cap for the paid parental leave scheme to \$75,000 or \$80,000 would allow for the appropriate increase in funding for better access to childcare. Paid parental leave that includes super is an important part of ensuring that women do not retire into poverty.

It is ridiculous that Tony Abbott want's to only assist those higher earning people with MORE benefits!! Its the low-medium income families that need the support and financial assistance the most.

I would benefit significantly from the proposed Paid Parental Leave scheme, if I were to have another child. But having had one child (and been on maternity leave), and coming back to work part-time then full-time, childcare is the ongoing significant expense that needs to be subsidised. Also, the child care system itself needs more funding to increase quality and access.

Under Tony Abbott, the rich get richer and the poor get poorer. So much for equity!!

There needs to be a neutral option to this question. It is important for families to have access to money through the baby stages. I had to use money from my children's savings account throughout my second child's early stages as I could not get him into care. My workplace also made it difficult for me to go back to work. With my first child, I was previously employed as a casual so I had no access to money/benefits when I left work. There needs to be recognition of the high costs of baby care (when you have no income) as well as improvements to make it easier (and cheaper) to return to work and access quality child care.

If Tony Abbott and Joe Hockey worked in a childcare centre for one week on the salary that the staff get and see how the parents struggle then maybe they would in the real world and might try and help instead of hinder.

As a full time female employee with one child in school requiring after school care and a second, younger, child in preschool, the Government should do more to encourage women to return to work by better funding child care, rather than providing another parental leave scheme when one exists already. Additionally, the Government should redirect any funds that still exist for the baby bonus into funding ECEC, thus discouraging those within communities who choose to manipulate the system and remain out of the workforce. At the moment, there is a distinct disadvantage for mothers who choose to return to work given the excessive childcare costs needed to enable the mother to return to work.

I think both need to be adequately supported and funded to enable mothers to re-enter the workforce, while still being able to contribute to their families finances and spend time with their child/ren. I fully support the proposed paid parental leave scheme. I think ALL mothers (or fathers if they are taking the leave) should be entitled to receive their normal wage up to \$50,000 a year and this should be based on the mothers income only and not the fathers - this is because if you base it on both the mother and fathers and then the family becomes ineligible for benefits, then effectively you are removing one whole income from the family budget which makes life very difficult. I think it should only be based on the mothers income (or the fathers income if they are taking the leave). And I strongly agree with this policy as I think it is only fair that mothers (or father if they are taking the leave) have the comfort and safety net that they are able to still provide for their family up to \$50,000 in the year. This promotes a good family upbringing thus reducing stress and poor socioeconomic status.

Any additional comments

A total of 93 respondents provided additional comments. Some of them were extensive. Examples of these are provided below.

21. Any additional comments on any other Draft Recommendations or the Draft Report in general? Download	
	Response
	Count
Show Responses	93

Examples of comments provided by survey respondents

It is the most inconsistent report from the productivity commission I have ever read. I feel that they have not been able to balance the rights of the child with their economic considerations. I believe their approach will reduce the quality of care, not necessarily increase childcare places and push not for profit providers/local governments out.

From my observations Country area services need extra funding to keep services open when numbers fall They need extra funding for all childcare related activities To keep the standards of education in early childhood high in country areas All recent studies indicate this is needed Think 0-4yrs old should have at least one diploma trained person in each room in charge & trained teacher 4-5yr room to get ready for school related activities Think After School & Vacation Care need at least one diploma trained person in charge Think all other staff need to be at least a Certificate 3 from Technical College People need training to work effectively with children.

Having worked previously in profiting Early Child Care highlights the lower standards and higher fees charged for operators to make money. Now working for government the fees are about half the price if a profiting Centre and the qualifications of teachers are higher, ratios are lower and the care and service provided is excellent. Stop companies from profiting from children and the fees for Child Care will drop.

Multi purpose services in many communities, especially remote rural regions are often essential for meeting the ongoing needs of a community. The NQF & regulations need to be streamlined to make it workable & cost effective for these service to operate and not disadvantage them in any way.

What a shame the private FDC Schemes have been allowed to take advantage of the funding and get away with it. The government should be held accountable and the private schemes culled and assessed. Our children have been placed at risk and being cared for in substandard care environments. Not for profit organisations have continued to provide high quality care to our families within our communities and are proud of the work we do. It is sad and frustrating, I have worked within FDC for over 20 years now and to see it break down in such a way, greedy people grabbing at the funding has led us all to an uncertain future and it worries me what kind of substandard care it leaves our children facing. The government needs to step up and put in place strategies to prevent the fraud from taking place. If we could see it happening years ago why is the government so blind.

The government should continue to fund the Community Support Programme funding in Family Day Care at the 2013 figures

Better \$ and easier subsidies should be introduced as an incentive for parents to return more easily to the workforce. There should be no "Baby bonus" payments whatsoever. As a nation, we should be encouraging and supporting working people to have children/families. ECEC should only be available to working parents/carers or single parents who are actively engaged in seeking work.

Why should I pay for someone else's child

Childcare centres are greatly required in within the communities. Both parents are working more, not all families have extended family help around them, a lot of families in WA are FIFO with the other parent working locally, and some families just need a break from busy lives and pleasures. Child care centres provide a safe, supervised, secure, flexible and quality option for all types of families. I also think that there needs to be more centres offering occasional care to support some of these family situations. I feel the government needs to open their eyes and see what sorts of things early childhood educators working within child care centres actually teach children and how they actually feel about their work. Children are leaving childcare to move onto school as confident, capable and knowledgeable people. At this stage I feel the government does not provide any acknowledgment of what an early childhood educator is really worth. Higher paid wages for early childhood educators and childcare management is essential to keep quality carers within the sector.

Please note the specific challenges to Family Day Care Services and the underhanded way the Commonwealth is introducing no operational funding to most FDC Services apparently on the basis of equity with Centre Based Child Care, with no apparent consideration that Family Day Care services operate on an entirely different basis. Centre Based Child care receives the Parent Fee and the portion of that fee which is paid by Commonwealth Child Care subsidy. In FDC Services, the majority of the Parent fee and Parent subsidy is paid to the FDC Educator not to the FDC Service which co-ordinates the network of FDC Educators, resourcing and supporting quality early childhood education and care, supports families and administers the Commonwealth Parent subsidy system.

I think it is essential that the role of ECEC for children from disadvantaged backgrounds not be understated. If there becomes a requirement for parents to be working for a child to access Childcare then a great number of children from the most disadvantaged families will not have access to strong early childhood education and will not see models of working people or develop a vision for a better future. Access to ECEC is essential for these children.

Child care and early childhood learning is crucial experience for all children if done correctly. There should be extra things added for each child which include incursions and excursions, and the money that should be allocated to them. Children want to learn and the wrong experience early on can hamper them for years to come!

I am a social worker and access to full-time child care is absolutely necessary for many of the children I work with. Special Child Care Benefit or its equivalent needs to be maintained and made easier to access

really concerned about the watering down of national quality standards and agenda and pleased that the ASU is making a submission for its members.

Child care workers should get paid more.

I am very concerned about the possibility of means testing any rebates. I think as a priority the rebates should all be activity tested, too many stay at home parents are using subsidized child care places, locking working parents out of centres. Subsidizing non working parents to use child care centres wastes government money, it does not increase productivity.

People who can afford Nannies generally don't need subsidies. In some cases like a child with special needs or other situation allowances should be made.

Consideration should be given to how to attract qualified ECE teachers to pre-school and childcare centres when the conditions, including pay and work expectations are much poorer than teachers working in schools. These ECE teachers often have HECS debts to pay off and earn up to \$15000 less than their counterparts at schools.

Need to accommodate shift workers as well.

I do not believe that child care rebate should be means tested. This will force many parents who have part-time arrangements out of the workforce as working will bring a significantly smaller financial benefit to them. When children are school age it will be even more difficult for parents to re-enter the workforce if they have been forced to care for their children 100 percent of the time because of the cost of childcare. The endpoint is less women in the workforce, fewer women in senior roles, families spending less money - further downward pressure on the economy.

All govt payments should be means tested. Middle class welfare for childcare should be stopped and payments directed to those families who actually need it. It

is outrageous that I get support from govt and even more outrageous that people in my income bracket are arguing it should continue.

Greatly concerned about suggestions to remove requirement for teachers for under 36 months. We have experienced great value in having this position for our baby and toddler rooms.

There does not seem to be any discussion about Occasional Child Care whether it be a private, or community based centre eg Neighbourhood House/Learning Centre of which there is hundreds in Victoria alone that offer this service. They still have to follow all regulations and staffing levels, the funding has also been withdrawn, a lot of centres have had to close the service and there is not many centres that parents can claim CCB for. It is still childcare up to 15 hours per week per child, not everything revolves around Long Day Care, should all be treated the same. I think this needs to be followed up somehow to reflect decisions for ALL day care not just Long Day Care and Grandparents/Nannies

ASU COMMENT AND RECOMMENDATIONS

Quality services are critical

A number of studies over recent years have demonstrated the value of quality ECEC to their families and the community as a whole. In particular, there has been improvement in our understanding of early brain development of children and the importance of positive early childhood experiences on their future health, development, learning and wellbeing. It is also important to note that children from disadvantaged backgrounds have much to gain from good quality programs and supports and that these bring wider community benefits as well.⁴

Benefits of quality services, support and educational programs in the early years include:

- Early identification of children at risk
- Improved brain development
- Improved cognitive, emotional and physical development
- Improved school attendance
- Improved socialisation with other children.
- Better performance at school
- Improved longer term prospect^{5 6}

All these benefits can improve long term outcomes for children in terms of furthering their educational opportunities, workforce opportunities and general contribution to community life. The long term benefits for children also have compounding benefits to the wider community in terms of less attention being needed on such things as remedial health issues, welfare and outcomes of inequality and crime.⁷

In recent years there has been an increasing understanding that the key drivers of quality in ECEC are the qualifications of the educators and the numbers of the educators employed (staff to child ratio).⁸

The Productivity Commission Inquiry has provided a valuable opportunity to review the way the ECEC industry and funding arrangements operate. The Draft Report does well in drawing attention to a number of areas which require attention. It is hoped that as a result of the activity of the Productivity Commission, improvements will be made which will be of great benefit to children, their families and communities. The ASU has some concerns however, about a number of the Commissions Draft Recommendations. Some of these would have the effect of reducing choices for parents, would weaken the National Quality Standard and continue the trend of inadequate remuneration of ECEC workers.

⁴ Community Child Care Co-operative(CCCC), Cred – Community Planning, Australian Community Children’s Services (ACCS) NSW, *Childcare, roads, rates and rubbish: NSW Local Government and Early Education and Care*, January 2013, p9 < <http://cccensw.org.au/publications/other> > accessed 23 July 2014..

⁵ Ibid.

⁶ COAG , National Partnership Agreement on Early Childhood Education, Sydney, COAG, 2008, p9

⁷ Ibid.

⁸ CCCC et al, *op cit*, p18.

Increasing Workforce Participation

The ASU notes that the Commission's Draft Report draws attention to recent comparable data (from 2009) showing that Australia's maternal employment rate (at 62%) was below the Organisation of Economic Co-operation and Development average (at 66%) and trails that of many countries.⁹

Access to both Paid Parental Leave and quality ECEC are important to women wanting to participate in the workforce. Quality ECEC enables many women to both increase workforce participation and help them balance work and family life. But the Draft Report also notes that some parents are not able to work because they experience difficulties with the affordability and availability of suitable early childhood education and care services.

However, the findings also make it clear that the availability of ECEC services is not the sole driver for improving workforce participation of women. There are a range of factors which influence the decision of mothers to participate in the workforce. For example, they are affected by such factors as the stresses of managing paid and unpaid work at home and, in couple families, the support of partners. Other important determinants are the availability by employers of flexible work and other family-friendly arrangements, and the effective marginal tax rates facing second income earners in couple families and low income single parent families.¹⁰

In its attempts to support increased workforce participation, the Commission introduced a number of Draft Recommendations. Based on its economic modeling, the Draft Recommendations could increase labour participation by an estimated 0.4% which equates to an extra 47,000 full time workers.

The ASU agrees with the objective of supporting women who wish to participate in the workforce because it provides them and the broader community with a range of benefits. These may include:

- Poverty reduction
- Improvements in disadvantage positions
- Increased independence, resourcefulness and confidence
- Economic security can make more lifestyle options available
- Possible increased opportunities for social and intellectual interaction
- Diversification of role models
- Increased economic resilience for families in crisis
- Effective use of the skills of working women
- Support of women's equality
- Widening talent pool and perspectives within industries and government¹¹

⁹ Prod Comm Op. Cit. p207

¹⁰ Ibid. p. 57

¹¹ IMF Staff *Discussion Note: Women, Work, and the Economy: Macroeconomic Gains from Gender Equity*, September 2013, SDN/13/10, , < <https://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>> viewed 25 July, 2014.

While many people choose to stay home with their children, many parents complain of a shortage of child care places to meet their particular needs. This is particularly the case in regional and rural areas. However, it should be noted that the situation varies from one region to the next, with an under-supply of places in some areas while others are reported to have an over-supply.¹²

The ASU is also of the view that Government investment in quality ECEC is a critical investment into the future of our children and of the nation. However, government investment also needs to be planned so as to ensure that quality ECEC is also accessible to low income families, families in rural areas and those facing disadvantage.

The ASU also makes the point that any system of funding services also needs to be fair (for example ensuring the system adequately remunerates workers) and is accountable to the tax payer (ensuring for instance ,that it doesn't simply increase profits going overseas).

¹² CCCC, Op Cit. p2.

Affordability and funding assistance

While subsidy arrangements that are in place do make ECEC more affordable for many families, the Draft Report notes problems relating to the complexity of the system and the need for better targeting of assistance programs. Currently, those who pay more for services benefit the most from the schemes, leading to an inequity between lower and higher income parents.

The Draft Report found that there are some parents who cannot afford to access ECEC services that would benefit their child and, more commonly, some parents cut back on their child's use of ECEC in order to keep their out-of-pocket costs below the CCR [Child Care Rebate] cap.¹³

To address such problems, the Commission has recommended the simplification of the assistance programs by combining the following three funding streams into one:

- Current Child Care Rebate
- Child Care Benefit
- Jobs Education and Training Child Care Fee Assistance

All three are to be incorporated into a single child-based subsidy to be known as the Early Care and Learning Subsidy (ECLS).¹⁴ The new subsidy is to assist families with the cost of approved centre-based care and home-based care and will come with an array of other proposed changes as outlined in the report.

Whilst there may initially appear to be some positive aspects resulting from the 'simplification' as outlined by the Commission, a number of issues require ongoing attention. These include the following:

- There will be families who will fall through the gap and will not be eligible for assistance (we note for example potential impacts on those parents who fail the activity test – perhaps for health reasons or other issues). Some of these families face desperate circumstances and should be given adequate support.
- Policies or legislation which reduces support for struggling families, particularly for low - income and disadvantaged families, should be avoided. Cuts of this nature harm children and such short term savings will be followed by longer term costs to families, their communities and future budgets.
- A clear understanding of the actual costs of running quality centres would help provide more realistic subsidy levels which take into account the range of cost factors including the need to ensure that professional wages are provided, as well as other factors.
- ASU gives general support to means -testing for access to assistance, but is also of the view that it should be set at a rate which encourages workforce participation of parents.

¹³ Prod Com, Op Cit, p. 13

¹⁴ Ibid. Draft Recommendation, p 45- 48

- The system in place should be one which will give families confidence that the best interests of their children are being taken into account. As such there needs to be adequate funding enabling the public sector to continue to provide support, set standards and play a significant role in enabling integrated community hubs to function well.

On this latter point, the ASU notes that the expansion of market forces into the provision of child care in recent times has not made child care more affordable, accessible or adequate. Indeed, the shift away from public sector and non-government community based funding toward funding of private sector service provision has had a detrimental impact on diversity and service quality in child care as private sector service providers focus on maximising expansion in profitable areas. This focus has the long term effect of limiting choice for parents. This has had a particularly negative impact on low-income and disadvantaged families as well as those living in regional and rural areas.

Local Government Role

The Commission's draft report discussed the various levels of involvement which local government has in the provision and support of ECEC services in the different states.¹⁵ The level of involvement does vary from state to state.¹⁶ But irrespective of whether or not local councils provide direct ECEC services, the contribution which local government makes to quality ECEC is significant.

A range of involvements are explored in this section of the ASU submission, including the following:

- Direct service provision
- Planning and regulatory activities
- Infrastructure support and sponsoring
- Co-ordination of Family Day Care :
- Networks and Hubs

Direct service provision

Many councils across Australia directly provide ECEC services. Detailed information on these programs has been provided to the Commission by various organisations, nevertheless, we take the opportunity to provide some brief comments.

The nature of direct services provided by local government may vary from council to council but will include the following:

- Long Day Care services
- Preschool services
- Before and After School Care Services
- Occasional Care Services

Some large councils operated several services, for example, note the following:

Penrith Council provides the largest number of council run ECEC services in NSW - with a total of 32 childcare centres. Of these approximately 20 are Long Day Care and the rest are cluster arrangements with several services under the one roof – such as Pre-school along with Before and After School Care.

Blacktown City Council (NSW) also provides a significant number of services as it has 24 ECEC centres. Of these, 21 provide Long Day Care; 3 are Pre-Schools, 2 provide Vacation Care and 1 provides Occasional Care.

In Victoria, 18 councils directly operate ECEC centres. For example:

¹⁵ Prod Comm, Op cit, p157 to 164.

¹⁶ See Municipal Association of Victoria (MAV) and State Government Victoria – Department of Education and Early Childhood Development, publication *Municipal Early Years Planning Framework and Practical Resources Guide*, Municipal Association of Victoria 2011.

the City of Melbourne manages five children's centres in the municipality. Four of these provide a kindergarten program.

The City of Yarra council operates four child care centres and also provides occasional care.

Knox City Council has a Family Child Care Network which is operated by the Council. It consists of Home Based Care (Family Day Care), five long day care centres and one occasional care centre.¹⁷

Planning and regulatory activities

The connectedness which community members and local organisations have with their councils place those councils in valuable and authoritative positions for assessing needs against existing resources, enabling the councils to engage in appropriate planning and regulatory processes .. From time to time, councils have become aware of sudden needs and have had to step into the void and work to fill gaps in critical areas of service provision or use their regulatory powers for the protection of members of the community.

Council planning instruments include such things as locational requirements which aim to ensure that child care centres are not located in areas that may pose health or safety risks to children or unreasonably affect residents with respect to noise, loss of privacy, traffic generation and on street parking.

With respect to regulations and internal design, the ASU draws the attention of the Productivity Commission to an incident in the Councils in NSW which required action. The particular incident in question was referred to by Mr Greg McLean in the Productivity Commission's public hearing on 14th August, 2014. It related to an accident in which a child at his family day carer's home, fell off the chair and smashed through a glass wall.¹⁸ The child's death and the circumstances were of great concern to the community. Mr McLean stated :

The Productivity Commission suggests that regulations should be determined in accordance with the Australian Building Code and/or national regulations. We're a little bit concerned that the opportunity for local government to provide its own regulatory structures, where needed, is important. Of course, as you know, local government inspects a range of buildings, from factories through to swimming pools in people's backyards, and businesses, restaurants, the lot. We see no reason why a childcare centre should be treated any differently..... [the death of the child] was in very tragic circumstances and, I think, it shows why we need to be a bit more rigorous in the regulation of those buildings¹⁹

¹⁷ See discussion on the Knox City Council network <http://www.knox.vic.gov.au/childcarenetwork>

¹⁸ There was considerable media coverage on this issue at the time, for example see Sydney Morning Herald article by Adele Horin, 'Day-care death prompts safety standards call', *SMH*, 2 April, 2002, <http://www.smh.com.au/articles/2002/04/01/1017206184684.html>

¹⁹ Productivity Commission, Public Hearing into Childcare/Early Learning, Sydney, 14 August, transcript, p 104.

The ASU therefore opposes sections of the Productivity Commission's draft recommendation 7.12 which seek to reduce or eliminate the role of local government in the regulation of the design or quality of a buildings interior as well as the regulation which the Productivity Commission interprets as interference with the operation of the ECEC market.

Infrastructure support and sponsoring

Across the nation, many children's services use council-owned buildings. Councils develop and maintain lease and service agreements with ECEC operators. Councils also undertake maintenance and improvement works on the buildings.

Support for children and children's services may take a variety of forms. For example, it may include the provision of professional development, coordination of child care network meetings, advice to committees of management.

Councils also provide information to community members about services available, registration processes and other information about local services available.

Co-ordination of Family Day Care

Family Day Care (FDC) is a network of registered caregivers who provide activities and care in their own home. The services are primarily aimed at 0 to 5 year old children however primary school children may also receive FDC services before and after school or during vacations.²⁰ FDC workers are registered with a family day care service that is responsible for approving, supporting, training and advising its educators.²¹

ASU members employed by councils as FDC advisers, facilitate the provision of a high quality education and care. They do this by supporting, mentoring and supervising FDC Educators through regular home visits and working closely with FDC providers to deliver quality education programs.²²

In order to help ensure standards are not lowered as an influx of new players engage in FDC, the ASU is of the view that FDC standards should move closer to traditional day care centres with respect to qualifications and other standards. Councils could play a significant role in this, particularly if adequate funding is available for an expansion in the number of local government co-ordinators and funding is invested in supporting networks and regional hubs.

Networks and hubs

²⁰ CCCC et al, Op Cit, p6

²¹ Family Day Care Australia website

<http://www.familydaycare.com.au/index.php/main/Become%20an%20Educator#M1>, accessed 27/8/14.

²² For an example see Family Day Care Services Advisor advertisement: http://lgjobs.com.au/display-job/73450/Family-Day-Care-Childrens-Services-Advisor.html#.U_Vz9qNnBd0

The ASU is of the view that childcare options for parents needing access to ECEC should foster choice instead of strategies which encourage moves toward more home based care. In the State of Victoria, it has been demonstrated that such opportunities for choice can be better realised through hubs of community services.

For example, at Port Phillip Council integrated child care and early childhood services have been placed along side family support services, parenting support, health services as well as community activities and educational services. This arrangement has proved to work successfully and is highly supported by local community members.²³ There are a number of such “hubs” in the local government area. For example, the Bubup Narm Family and Children’s Centre is based on a model of integration which brings together various programs in a seamless service to ensure better coordination and easier access for families. The centre has three levels: the lower ground level is a car park; ground floor provides 116 per day licensed children’s service and multiple services are provided on the first floor. The first floor includes: three maternal and child health services; two dedicated playgroup rooms; new parent group sessions; immunisation services; early childhood intervention services; family services; and a multi-purpose room for hire. Increasingly, hubs are becoming a trend and best public policy.²⁴

Other councils developing similar hubs include the City of Darebin (Keon Park Children’s Hub),²⁵ the City of Yarra (Lourdes Family and Children’s Hub)²⁶ and the Surf Coast Shire (Children’s Hub Torqay)²⁷.

Brigid Jenkinson,²⁸ former City of Port Phillip Coordinator of the Bubbup Nairm Hub, is someone who was very familiar with the New Zealand models for child care. She has since been involved in implemented an integrated approach in a more complicated, Australian regulatory framework for child protection and education. Ms Jenkinson has made the following comment about the important role of hubs and integrated services:

Early learning services need to be seen in the broader context of educational systems and child protection – integrated services enable early intervention where necessary and an integrated service approach. The hub model enables the kids that need the most to get the most.

²³ See Port Phillip Council website: www.portphillip.vic.gov.au/integrated_family_and_childrens_centres.htm

²⁴ See www.premier.vic.gov.au/media-centre/media-releases/3857-new-75-million-childrens-hub-to-make-life-easier-for-upwey-families.html.

²⁵ See City of Darebin website <www.darebin.vic.gov.au/Page/Page.aspx?Page_Id=10318>

²⁶ City of City of Yarra Lourdes Family & Children's Hub (<http://www.yarracity.vic.gov.au/Services/Family-and-Children-Services/Lourdes-community-hub/>)

²⁷ Surf Coast Shire Children's Hub Torquay (http://www.surfcoast.vic.gov.au/My_Community/Aged_Family_Services/Children_Services/Occasional_Child_Care)

²⁸ Brigid Jenkinson is a New Zealand National and a maternal child health nurse.

The model of integrated children and family centres is one which has met with considerable success in the UK and is now an approach which is being promoted by Victorian Government departments and agencies.²⁹

The funding model proposed by the Commission will undermine current services if funding is directed away from quality, education and salaries toward home-based care. This would be of particular concern if growing numbers of home-based care have lower quality standards.

There needs to be a mechanism to enable adequate funding for councils to build integrated centres. Important elements of integrated centres would include access to and oversight of a choice of services, access for business to work closely with complementary services, locality to other community support services such as health and education of parents and carers, a focus point for ongoing education and support for alternative self-employed & sole-trader providers of care – such as nannies.

The ASU is of the view that the Commission should re-think proposals about home-based care and expand it to take into account more integrated, better targeted childcare services with an expanded role for local government – with a commensurate injection of funding.

²⁹ For more information see the website of The Royal Children’s Hospital Melbourne at <http://www.rch.org.au/search/?action=search&q=Integrated+services#gsc.tab=0&gsc.q=Integrated%20services&gsc.page=1> and the website of the Department of Education and Early Childhood Development (Victoria) <http://www.education.vic.gov.au/childhood/providers/integrated/Pages/default.aspx?Redirect=1>

ECEC Workforce

As with many other community services areas, the ECEC workforce is predominantly female. Indeed an ABS report on Community Service Workers in 2011 indicated that 96% of Child Care Service workers in Australia were women.³⁰

These women often have a range of family and caring commitments outside their paid employment. They require adequate pay, flexibility to manage their own family commitments, as well as requiring certainty of employment.

The Productivity Commission Draft Report appears to recognise a number of aspects relating to the pay and condition of ECEC workers which need to be addressed. Namely:

- A career structure that does not adequately reward staff with higher qualifications or greater experience
- Insufficient non-contact hours to complete curriculum, programming development and observation requirements (exacerbated by the introduction of reporting requirements under the NQF) and an expectation that staff will undertake some of this work unpaid in their own time
- Insufficient sick leave and other non-wage entitlements, given the nature of the work environment
- Limited opportunities for employees to undertake further training or study in paid time
- Workers having to pay for various education and care materials themselves.

It is circumstances such as those listed above which contribute to the high turnover of staff, and in turn has a negative impact on children using the services.

In addition, uncertainty of ongoing employment would discourage workers from seeking employment in the child care arena. Indeed in some regions, child care centres already face significant problems in trying to attract qualified staff. Childcare workers need to know that their work will be valued into the future and that they will receive adequate remuneration and employment certainty in order to be attracted to the industry and be encouraged to stay.

³⁰ Australian Bureau of Statistics (ABS), 'Community Service Workers', Cat. 4102.0 – *Australian Social Trends*, Sept 2011, , <<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features30Sep+2011>> viewed 25 July, 2014.

Local Government ECEC Workforce

Whilst it is clear that a lot of effort and funding needs to be invested in improving the working life and remuneration of ECEC workers we would also like to draw attention to some arrangements in place for ECEC workers employed in local government.

In many states (though not all), local government workers are employed under federal industrial relations instruments. Collective bargaining at the local level can result in provisions which can help to make the local council a preferred employer for workers as bargaining relates to provision for a diverse range of occupational groups. As explained by Mr Greg McLean in the Productivity Commission's public hearing:

...[W]hen we negotiate rates of pay for childcare workers, we negotiate them at the local council, in the same way we do with the to[town] planners, the social workers, the beach inspectors from Bondi Rescue, or anybody else that works for the council, truck drivers, town planners, the lot.³¹

Example of family friendly provisions - at the local level in Victoria

Council Enterprise Bargaining Agreements are the product of collective bargaining at the local council level. The process can result in a range of provisions which are attractive to employees. These can include provisions for part-time work; job sharing; home-based work; accrued days off, Cultural/Ceremonial Leave as well as other provisions.

Below are some of the provisions contained in the enterprise agreement of a council within the Melbourne metropolitan region in Victoria. The selection provides some examples of provisions which assist workers in balancing work and family responsibilities and help to make the council an employer of choice for many workers, including those working in ECEC.

Examples of family friendly provisions gained through collective bargaining in local government

Use of sick leave for family purposes (carers leave)

For employees with primary carer responsibilities.

Special Carers Leave

Up to an additional five days per year (non-cumulative)

Unpaid carer's leave

Where all paid leave has been utilised employees.

³¹ Prod. Com public Public Hearing, loc cit p104.

Maternity/Adoption Leave

Staff who are eligible for Maternity Leave receive 14 weeks of their Parental Leave as *paid* leave .

Paternity Leave

Staff who are eligible for Paternity Leave receive 2 weeks Parental Leave as *paid* *paternity leave*..

Supplementing unpaid parental leave

Employees can supplement unpaid parental leave with other types of leave including Long Service Leave and Annual Leave .

Pre-natal leave

Employees are entitled to 35 hours of Pre-natal leave to attend routine medical appointments associated with pregnancy.

Breastfeeding in the workplace

Council is an accredited Breastfeeding in the Workplace organisation and will, by arrangement, provide appropriate facilities for breastfeeding mothers.

After hours dependent care

Where an employee is unexpectedly and compulsorily required to attend out of hours meetings and where prior agreement is made, Council shall reimburse reasonable expenses for dependent care.

Access to Council managed Child care facilities

Staff will be provided with priority of access to Council managed childcare facilities.

Access to Council managed Maternal and Child Health including immunization services

Access to Council managed Maternal and Child Health including immunisation services will be facilitated.

Family Violence Leave

An additional 20 days paid special leave per year (non cumulative) for an employee experiencing family violence as detailed in clause 19 of this agreement.

Special Bereavement/Compassionate Leave

Up to an additional two days bereavement/compassionate leave per occasion may be granted to an employee in special circumstances.

Provisions which assist workers balance work and family life, along with adequate remuneration, help attract workers to local government. In addition, local government provides a valued professional approach to service provision, particularly where councils have a strong commitment to employee training programs and staff development.

Example of family friendly provisions NSW

The following are examples of work conditions available to local government employees in NSW who are covered by the Local Government (State) Award 2014:

- *3 weeks sick leave at ordinary pay*
- *Long Service Leave after only 5 years of service*
- *Reimbursement of the cost of various certificates, licences and other approvals – such as the Work With Children Check*
- *Additional flexibility provisions for work and family responsibilities*

- *Extended bereavement leave provisions*
- *Emergency services leave*
- *Health and wellbeing programs*
- *Salary sacrificing provisions*
- *Community language, signing and first aid allowance*
- *Phased retirement options – including part-time work, flexi-time, leave without pay, and other provisions*
- *Allowances for a range of activities – including a changing nappies allowance in ECEC services.*
- *Other provisions as provided through the Award.*³²

*It should also be noted that many (though not all) workers in NSW Local Government are employed on a 3 5 hour week basis.*³³

In addition to such arrangements, many individual councils also have agreements in place which include additional family friendly and community friendly work conditions.

Summary - ECEC Workers

The Productivity Commission does well to highlight the need for increased fairness and equity in relation to the pay and working conditions of ECEC workers. However it is disappointing that the Draft Report did not contain specific recommendations to adequately deal with low wages and conditions in the industry.

There clearly needs to be extra funding for Early Childhood Education and Care (ECEC) to ensure quality service provision for children. This includes adequate funding to pay for qualified staff and the capacity for organisations to provide arrangements which enable a supportive environment and one which gives workers the opportunity to balance work and family life as well as community commitments.

Some arrangements in place in local government may indicate strategies for making some headway in improving conditions for many ECEC workers, although vigilance continues to be needed to address equity issues in all sectors.

³² United Services Union, Local Government (State) Award, <http://www.usu.org.au/services/awards-a-agreements> viewed 27 August 2014.

³³ In 2004 a significant pay equity win gained a reduction of working hours for community services professionals. Band 3 Professional/Specialist – this included professional workers employed by councils in ECEC. The campaign and related case gave local government professional community services workers parity (in terms of hours) with male comparators within the Professional/Specialist Band. See, USU,, *Industrial Relations in New South Wales Local Government*, United Services Union (USU), 2009.

Providing good value for money

Local government service provision is underpinned by a range of commitments and requirements. These enhance the effectiveness of local services and help build social capital in the community and help in the provision of appropriate support for those who are disadvantaged in the community . The commitments are often the result of legislation and policies which operate in the local government arena but do not operate in the private sector or are limited in their application. Examples of these are provided below.

Local government is required to fulfil a range of social policy commitments which are reported on, monitored and open to community scrutiny. For instance, councils are required to provide services that are non-discriminatory and are consistent with the culturally and linguistically diverse nature of the community. They can be taken to task if they fail to adhere to these and other social policy commitments.

Local services benefit from all this 'background' activity. It is something which many parents with children in council ECEC programs have expressly mentioned in forums and surveys.³⁴

Local government has established mechanisms of community consultation and accountability through social planning mechanisms. which place councils in a strategic position in communities, enabling the identification of deficiencies or gaps in local service provision. Many forums bring together diverse organisations for purposes of sharing information, discuss local issues and contribute to local knowledge.

Local government is often a focal point for local communities because of the wide range of local services, programs and activities providing many points of contact with community members. For example, families and individuals may come in contact with councils through: visits to the library, sporting facilities, ECEC programs; contact through regulatory activities such as building developments; or as recipients of regular services such as waste collection services.

Councils assist communities with infrastructure, advocacy, research, networking, support, information provision as well as local capacity building. They also help connect people with external providers of certain services.

This puts local government in a key position for identifying community strengths, disadvantage, risk factors, safety issues as well as gaps in services. All these aspects enable councils to plan social and physical infrastructure for the betterment of local communities.

Local government support and coordination adds value to local services and enhances council programs that are directly provided by them. This is no less true of council run ECEC programs.

The council operated services are generally viewed by the community as providing good value for money in the provision of quality services.³⁵ This point has been borne out by an extensive research

³⁴ CCCC et al. Op Cit p18.

³⁵ Ibid..

project commissioned by both the Community Child Care Co-operative (NSW) and Australian Community Children's Services NSW. The project focussed on children under school age (0 to 5 years). The ensuing report, titled *Childcare, roads and rubbish: NSW Local Government and Early Education and Care*, compared National Quality Standards of various types of ECEC providers.³⁶

The report revealed a number of differences in quality standards when comparing council run ECEC with other operators across NSW. The comparison between the quality of council run services and private for-profit services is particularly stark as the following data shows:

- 87% of council services exceeded or met the NQS
- 67% of not-for-profit community-based services exceeded or met the NQS
- 29% of for-profit services exceeded or met the NQS.³⁷

The report concluded that council service providers "scored higher ratings to date against the National Quality Standard for early childhood education and care services".³⁸

The report also refers to ongoing quality ratings data by the Australian Children's Education and Care Quality Authority (ACECQA). This data is said to have "delivered quantitative evidence that not-for-profit community-based early childhood education and care services [this includes council services] are providing a higher quality of service than for-profit services."³⁹

The quantitative data is also backed up by comments which reflect on the experience at a number of councils. For instance, a couple of quotes in the report state:

There is a preference for Council and community operated services over private services. Parents coming from private centres to Councils wait list and services often express dissatisfaction with and complaints about poor quality, high cost and poor child supervision in some private centres. Generally, we do not hear this about community operated services.(NSW local council).

Some feedback suggests that families deliberately choose a Council centre due to the governance, Councils reputation in the community re: inclusion and its profile of providing quality centres. Some families choose a Council centre because Council has been providing childcare for 35 years and we know what we're doing and will be around for the long haul(NSW local council).⁴⁰

³⁶ Ibid.

³⁷ Ibid, p 3

³⁸ Ibid., p18

³⁹ Ibid.

⁴⁰ Ibid., p17

Similar issues have been raised during a Child Care Consultation in Victoria. The consultation had a mix of parents who access ECEC services as well as workers who have had experience with different ECEC providers.⁴¹ At that consultation the following issues were raised:

- Parents have expressed anxiety about using privately run ECEC services because of they are perceived as places of high stress, inadequate supervision and lower standards.
- Council run ECEC services are in high demand and waiting lists are long.
- Parents of children with additional needs have expressed exasperation about private ECEC not wanting to take their child whereas council run services have policies and practices in place which are more inclusive and supportive.
- Examples were provided of people seeking Family Day Care registration for their home but when council advised them that their home was not to the necessary safety standards, the person responded that that was fine by them because they could find a private operator who would register them without them having to make changes to their home.
- Parents value the regulatory and accountability requirements followed by council run ECEC
- Concern was expressed about the increased number of private operators which put downward pressure on ECEC wages. Their growing presence in the industry is reducing the mix of quality services as higher quality services are tempted to close operations.
- Many private centres won't take babies and councils often fill the gap.
- It is not right that tax payer money goes to profit making organisations which tend to accept the easier options with their focus on profit making.
- Increased casualisation, inadequate remuneration and support for workers in private child care services is very demoralizing and encourages workers to leave the sector.

The ASU is of the view that higher wages produce quality and stronger professionalism which translates into improved early learning outcomes. Local government child care centres generally offer higher standards of conditions of employment. Funding of public sector child care should continue to be a part of the mix. However, this mix is being undermined by funding constraints due to fiscal imbalances between the various levels of government. This situation is exacerbated by cost-shifting (particularly by state governments), the freezing of federal grants, privatisation measures and other constraints (such as rate pegging in NSW).

Shifts in public policy at other levels of government which result in a weakening of the diverse mix of services on offer to parents can lead to reductions in services quality and reductions in options available for parents. This has longer term consequences for the community and future budgets as

⁴¹ Unpublished notes from Roundtable Child Care Consultation, ASU, Melbourne, 26 August, 2014

governments and society pick up the tab when the children become adults. As already noted, disadvantaged families benefit most from quality ECEC and their future opportunities and social encounters affect us all.

Whilst the Commission's Draft Recommendations are estimated to increase expenditure to \$8 billion a year, there is concern that new services could come at the expense of existing valued services and at the expense of those in most need who will fall through the gaps.

In addition, the Productivity Commission's proposals for increasing funds for ECEC purposes may not meet the approval of the Federal Government. This is particularly the case at the present time as it appears inconsistent with the tendency of the government to reduce spending. This latter point was noted by Kate Ellis, Shadow Minister for Early Childhood who stated:

Any new programs for families, such as subsidies for nannies, can only be funded through cuts to the existing child care services that families rely on every day and I know many would be deeply concerned about this,

Tony Abbott said he commissioned this report to look at ways to improve child care affordability, yet his own Government has already announced over \$1 billion in child care cuts.

Right now the Abbott Government has legislation before the Parliament which has the sole purpose of cutting child care assistance for low and middle income families, including those on as little as \$42,000.⁴²

The ASU recommends that the Productivity Commission oppose the watering down of qualification standards. To this end, the Commission should

- not call for the removal of requirements for degree qualified educators working with children under the age of three.
- Not lower staff qualification standards to the national standards where state or local standards are higher.

In addition, the ASU recommends that the Productivity Commission call upon the federal government to increase expenditure in a mix of quality ECEC services. Such a mix is possible where local government is well funded to continue to set standards, support and provide quality care and continue to perform valued regulatory, planning and networking functions in an inclusive manner. Such measures would help ensure accountability to the taxpayers of the nation and reduce the type of risks associated with the practices of private companies such as collapsed ABC Learning. This alternative direction proposed by the ASU would not only benefit children but would reap ongoing benefits for the nation well into the future.

⁴² Ellis, K., Shadow Minister for Early Childhood, Television Interview, PVO Newshour, Sky, 22/07/2014, *Productivity Commission Draft Child Care Report*

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