

Senate Inquiry into Provision of Child Care

As the peak body representing Australia's not-for-profit community children's services and those who support the right of children to access these services, Australian Community Children's Services (ACCS – formerly NACBCS) welcomes the opportunity to comment on the Senate Inquiry into the provision of child care.

a) The financial, social and industry impact of the ABC Learning collapse on the provision of child care in Australia

The collapse of ABC Learning has been felt across the children's services sector in Australia and deeply affects the children, parents and communities that require access to the essential service of early childhood education and care. The collapse of ABC Learning has:

- Disrupted the continuity of education and care for children in ABC centres
- Damaged the fabric of the children's services system and its ability to provide an essential support for children, families and communities
- Created uncertainty for ABC staff – we believe that this is likely to cause defections from the children's services system which will exacerbate the chronic shortage of trained and experienced staff across the children's services sector
- Created a crisis of confidence for parents in the children's services system; the stress of raising young children has been exacerbated by the additional stress of the destabilising influence of competition and market forces. Families look to the government to offer stability for this essential service and so far the response from the Federal government has been to prop up the fragile competitive market
- Impacted on parents' ability to participate in the paid workforce. Working parents with below school age children need access to high quality, affordable, and consistent long day care. The uncertainty around ongoing provision of ABC services had resulted in some parents trying to move their children from ABC centres to non-ABC centres; many of these non-ABC centres have limited or no places available, particularly for babies and toddlers. Working parents on parental leave who believed they had secure child care places in ABC centres to facilitate their return to work have delayed their return, and are under increased stress trying to find alternate places for babies in an already limited market for this age group.

All of this activity suggests significant destabilisation of the commercial child care sector

There is the potential that the collapse of ABC Learning will have a positive impact – the not for profit sector is stable and its stability is not reduced by the collapse of ABC. The not-for-profit sector has the best track record for being committed for the long haul and for being responsive to community needs. Many are keen to offer their expertise and assistance in light of the collapse of ABC Learning.

b) Alternative options and models for the provision of child care

ACCS believes that public money should be invested in public services. In the interest of ensuring an end to the over-reliance on corporate provision of children's services and diversification of the sector ACCS proposes:

- Government owned infrastructure/buildings with community governance of service delivery
- Governments, in collaboration with the non-government sector, create specific capital and operational funding programs available to non-profit providers to build and deliver good quality children's services designed to contribute to the developmental needs of children in that community
- Planning controls to ensure corporate chains and private child care providers cannot own significant percentages of child care services and to ensure the availability of not for profit services as a genuine choice for families. ACCS believes that the Australian Government has an important role in developing planning legislation for all service types (long day care, occasional care, family day care, outside school hours care, in-home care) that ensures that families have access to not-for-profit community owned children's services, allowing families' choice in child care. Australia needs a system that allows and encourages the development of community owned services, while preventing new commercial for-private-profit services from opening where they will undermine the viability of existing services.

Options for achieving this include:

- A cap on CCB places for for-profit services in communities where the community based service has vacancies, or where there are existing private services with vacancies
- Denial of CCB approval for new for-profit services in communities where there is no community based service or where the for-profit service will be located in close proximity to an existing community based service
- Government capital investment to develop community based services in communities where none exist and where there is evidence of viability.
- A plan to minimise and control the emergence of the hybrid model of community children's services delivered in commercial premises, through increased capital funding to build and maintain public buildings for delivery of not-for-profit children's services
- A limit set by government to ensure that the majority of facilities for community children's services remain in public hands
- Government control of commercial rents charged to community providers of children's services

c) The role of governments at all levels in:

Funding for community, not for profit and independent service providers

- Government funding for facilities for not-for-profit services

- Operational subsidies for community based not for profit services linked to demonstrated outcomes consistent with government priorities

Consistent regulatory frameworks for child care across the country

- Any national regulatory framework should set high standards and implement them in a rigorous manner with clear sanctions for failing to perform at the required standard.

Licensing requirements to operate child care centres

- Assessments of licensing applications must be stringent to exclude unscrupulous and incompetent operators.
- Mandatory standards must not be made lenient or generous in light of the immediate child care crisis. Children's services must be high standard, compliant with state/territory safety regulations and continually striving for high quality service provision in services, not minimum standards or 'child storage'.
- Governments must have consistent and thorough processes to ensure services are operating at a high standard and sanctions for non-compliance with quality standards must be strong and enforced in order to protect children and ensure their positive development.

Nationally consistent training and qualification requirements for child care workers

- Research has clearly documented the relationship between skills and qualifications of staff in children's services and improved outcomes for children. Therefore ACCS believes Australia's regulatory mechanisms should enshrine minimum mandatory qualifications and training for all staff/carers in children's services. These must be high quality to ensure the quality of services for children and families and to enhance the professionalism of the children's services workforce.

The collection, evaluation and publishing of reliable, up to date data on casual and permanent child care vacancies

- ACCS believes this is a problematic task and an exercise which may not be worth the time, energy and costs involved.
- ACCS can only support central collection of child care vacancies if the system devised preserved the current direct relationship between families and services.

d) The feasibility for establishing a national authority to oversee the child care industry in Australia

This is a challenging proposition given the complexity and diversity of the sector. Such an authority would have to manage the different responsibilities currently held by the Commonwealth and State/Territory Governments including:

- Registration
- Licensing
- Regulations and monitoring of these

- Standards
- Quality Accreditation
- Funding (capital and recurrent)
- Staff training and registration requirements
- Curriculum requirements

ACCS would support the establishment of a National Authority to coordinate and effectively plan for the provision of children's services so that every family is able to choose a not for profit service for their children.

e) Other related matters

ACCS believes that it is essential and urgent for the federal Government to legislate in order to prevent a re-occurrence of an ABC corporate type model emerging with its aggressive and unfair acquisition practices and to avoid a repeat of the aftermath when such a model inevitably collapses. Government should focus public money toward funding of community owned and managed public infrastructure as a real investment in strong communities and a quality, sustainable children's services system.

ACCS' Aspiration for Australian families

- Every family will have the choice of high quality not-for-profit children's services.
- We work towards the achievement of a vision in which every community will be supported by community children's services characterised by:
 - Access to high quality children's services
 - Social inclusion through active community ownership of children's services
 - Professional children's services workforce
 - Strong policy and legal framework
 - Universal not-for-profit service delivery