



Our ref: 2635

Mr John Carter
Committee Secretary
Department of the Senate
Parliament House
CANBERRA ACT 2600

Dear Mr Carter

SENATE INQUIRY INTO THE PROVISION OF CHILDCARE

Please find attached a submission for the above enquiry from the Department for Communities in Western Australia.

If you have any queries please direct them to Ms Helen Creed, A/Executive Director, Children and Family Services Division, Department for Communities on 08 6217 8302 or by email helen.creed@communities.wa.gov.au.

Yours sincerely

SUSAN BARRERA
DIRECTOR GENERAL

23 February 2009

Att A. Submission to the Senate Inquiry into the Provision of Childcare from the Department for Communities

SUBMISSION TO THE SENATE INQUIRY INTO THE PROVISION OF CHILDCARE FROM THE DEPARTMENT FOR COMMUNITIES, WESTERN AUSTRALIA

The Department for Communities (DfC) welcomes the opportunity to submit comment to the Senate Inquiry into the Provision of Childcare. Child care plays a central role in supporting positive outcomes for children and supporting workforce participation for families. DfC's response is underpinned by the importance of quality child care.

The Senate Inquiry offers a timely opportunity to examine issues around the provision of child care given the ABC Learning collapse and in light of the Commonwealth's Early Childhood Education and Care reform agenda.

Overview of the Western Australian context

The DfC is the state government department in Western Australia that has responsibility for licensing children's services under the *Child Care Services Act 2007*. The Act provides for the regulation of:

- child care centres (Long Day Care) which also includes occasional child care services
- family day care services (individual family day care providers (both private and Family Day Care Scheme members)
- outside school hours family day care services
- outside school hours care centres
- regulations are currently in development for specific small rural child care services akin to 'in-venue care' as in other state jurisdictions.

At the present time there are the following number of licences and licensed places in Western Australia:

Service type	Number of licences	Number of licensed places
Child Care Centres	563	27 231
Family Day Care	682	4 452
Outside School Hours Family Day Care	7	49
Outside School Hours Care Centres	219	10 389
Total	1 471	42 121

In Western Australia (WA) there is a mix of 34 per cent not-for-profit and 66 per cent commercial for-profit services. 170 child care licences are held by incorporated organisations, with an additional 10 services operated directly by local government, church associations, government departments or public authorities. Family Day Care services are licensed individually, rather than the licensing of the schemes, as occurs in some other states.

The increase in birth rates and migration to Western Australia has put pressure on community resources. Together with the growth in the Western Australian economy and the need to support workforce participation, attention has been focused on the provision and quality of child care services.

The size and population distribution in Western Australia creates some unique characteristics, including small, remote and largely Indigenous communities with diverse child care needs. Almost three-quarters (73.5 per cent) of the state population resides in the Perth Statistical Division and this proportion has remained virtually unchanged since 1991.

In WA there has recently been a review into the legislation covering licensing for child care services. The process of implementing the review's recommendations along with the drafting of new regulations and the amendments to the *Child Care Services Act 2007* is underway. The new regulations will support increased standards for child care services in Western Australia, including minimum qualifications of Certificate III for all child care contact staff.

A Commonwealth/State funded Neighbourhood Model Occasional Child Care (OCC) Program is offered in many areas. This model is the only form of child care flexible enough to meet the needs of families living in rural and remote locations that can differ greatly from region to region, from town to town and even season to season. This program is widely used to support remote Indigenous communities such as those in the Kimberley.

The DfC employs Children's Services Officers (CSOs) to assist in coordinating and supporting the development and delivery of quality children's services. CSOs traditionally have strong community links and work in collaboration with communities and organisations to help them to meet the needs of their community. In addition to advice and support to children's services, CSOs provide information to families about child care in their area, what to look for when choosing care, ideas to help settle a child into a service, access to other resources and support for organisations.

Response to the Senate Inquiry

The DfC makes the following points in relation to the Senate Inquiry into the provision of child care. The comments will be in line with the Terms of Reference.

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

There were an estimated 2 800 families using ABC Learning Centre Pty Ltd in Western Australia and records showed that ABC Learning operated 90 services at the time of the collapse, of which 72 were located in the metropolitan area. The total number of licensed child care places held by ABC Learning was 6 904 places.

In regard to the actual impact in WA of the collapse of ABC Learning, 12 ABC Learning centres closed. The DfC developed a contingency plan and was well prepared for the closures, which helped to minimise the impact. A planning group was formed and met weekly to monitor the events and implement actions to assist parents and staff involved.

From anecdotal information it appears that the ABC Learning Receiver kept families and staff well informed of the situation and on the surface this seems to have ensured that the impact of the 12 WA centres closing was minimal. It appears that many of the calls were directed to the Receiver. It also appears that the Receiver closed ABC Learning centres in WA that were within close proximity to other ABC Learning centres and most staff and children relocated to these centres.

However, this does not mean that there was not a social impact. Data has not been collected on the proximity of operating centres with vacancies to those that closed and the extra distance needed to be travelled by parents to re-locate their children, or if fees for attendance increased. There is also no data available to the department on the number of parents who, if they were able to locate places at another centre, found the extra time, distance, changes to children's routine and additional cost of relocation as a deterrent to using child care. Nor is their data to indicate if some parents chose to withdraw their children from child care because of these factors. Data collection around the closures and impact was difficult as accurate data on total attendances was somewhat limited.

Some CSOs reported that some centres in their area received calls from families wanting to put children on their waiting lists. However, it is hard to determine if children actually enrolled in these services or whether they relocated to other ABC Learning centres.

There were also some indications that when some families put their children on waitlists they may have done so at a number of different centres and not just one.

Feedback from some services within the sector in WA regarding the Government financial support for ABC Learning was negative as they felt that if the Government were to support one service, they should support others in times of financial difficulty.

Another impact is that the process undertaken by Receivers has not recognised the realistic time frames required to licence new services, due to the complexity of the regulations governing child care. To ensure that quality and safety are maintained the licensing process by DfC is rigorous, and licences are not transferable. As ABC Learning held licences for 90 centres in the state, the re-issuing of licences for the centres is a considerable undertaking for DfC.

The current difficulties in the corporate sector through the demise of the ABC Learning have the potential to impact on the community managed sector in Western Australia. In areas where the provision of child care is deemed unprofitable it is possible that, if there are not private investors, the responsibility to continue the provision of child care will fall on community groups and local government.

In regard to workforce, the rapid development of ABC Learning and other child care chains absorbed child care staff from across the State over recent years. This has contributed to the critical child care staff shortage in WA including relief child care staff. This has also resulted in increased charges for the supply of relief staff particularly through employment agencies.

The closures of some ABC Learning centres in Western Australia may provide a correction in the market in regard to the availability of child care staff. However, it is unlikely that the cost for relief staff will decrease.

An important point to be raised is that ABC Learning Centre Pty Ltd is a Registered Training Organisation (RTO), trading as the National Institute of Early Childhood Education (NIECE). Therefore, the majority of ABC staff are trained internally. As at December 2008, ABC had 48 active trainees in WA including:

- 1 Certificate III in Children's Services in Aboriginal Communities
- 34 Certificate III in Children's Services
- 13 Diploma in Children's Services.

As at December 2008 NIECE was the RTO for 42 of the above trainees (six trainees were with other RTO's).

The closure of some ABC Learning services has affected seven trainees to date who were employed in centres that closed. Only three of the seven have been successfully transferred within ABC Learning. There is a concern that the trainees who were not transferred may not have the opportunity to complete their qualifications. Trainees do have the opportunity to change RTO's. However this is not possible unless they find employment with a licensee willing to accept a trainee at the stage that they have attained. This has the potential to impact on proposals to increase the qualifications of the child care workforce.

There are reportedly 35 additional trainees employed at ABC Learning centres that are still operating and it is reported that there is no immediate danger regarding these trainees.

b) Alternative options and models for the provision of childcare

WA's population has doubled to 2 million in the last 30 years and is expected to rise to approximately 3 million by 2031 (ABS). The need for child care will continue to expand, although it may not be uniform growth and the same in all areas.

The DfC wishes to bring to the attention of the Senate Committee the extensive work and research undertaken by Deborah Brennan, Megan Blaxland and Kathy Tannous, from the Social Policy Research Unit, University of New South Wales. They have examined the current situation in Australia for children's services, international trends and the mixed model for early education and care, and many of the issues examined have relevance to the situation which led to the collapse of ABC Learning.

The collapse of ABC Learning in Western Australia has raised important issues about the model and funding for child care in this state as well as Australia-wide. The rapid rise of the corporate sector in child care has seen a dramatic change in the management, funding and operation of child care. There needs to be a re-evaluation of the present system that has allowed the demise to occur and systems and mechanisms to prevent the re-occurrence of events that can adversely affect children in child care, their families and those employed in the industry.

There is a fundamental danger of a market where the large majority of centres are privately owned for profit and where a single organisation owned what was reported to be around one third of the long day care places in Australia. Evidence shows the relationship between the quality of the centre and positive outcomes in children's developmental, educational and social domains.

Historically there has been a major shift from the West Australian situation in 1972 where 75 per cent of a teacher's wage was paid for those working in child care. The opening up of the child care assistance to the private centres in 1991 saw the rapid rise in the number of privately owned centres. In 1997 the Federal Government removed operational subsidies for community based centres and the years immediately after that saw a large number of these centres close because of viability issues.

A fundamental issue has been the divide between education and care, with different systems of funding for each. The Council of Australian Governments (COAG) reforms aim to bridge that divide and have a system where early childhood education and care are combined and seamless. Traditionally child care has tended to be seen as supporting workforce participation of parents. However, the benefits of quality early childhood education and care to children and to society are increasingly recognised. It is important for early childhood education and care to be recognised as a public good in the same way that education is. The current financial situation has delayed the development, funding and implementation of some important aspects of the reforms, such as the integrated early learning education and care centres and the children and family centres.

It is highly desirable that standards are raised and DfC supports the COAG initiatives to develop and implement these reforms. However, DfC notes that the financial responsibility for providing higher quality child care and for more child care places is not clearly articulated in the proposals. It is imperative to develop and consider a range of funding options that could include the possibility that early education and care should be funded by public means, just as school based early education is now funded. If Australia is serious about providing

high quality early childhood education and care the nation should be prepared to invest in the provision of care for all children from birth onwards.

Issues related to alternative models

DfC notes that there are a number of other factors to consider regarding the present system and the drivers for alternative models. These are:

- Policy changes in the last 15 years have occurred with very little debate about the type of early childhood structures and service delivery models most appropriate to families and the role of Government in the provision of services.
- A reliance on market mechanisms to develop new child care places has resulted in a rapid expansion of some service types, but has not led to an equitable distribution of services across geographical areas or population groups.
- Market strategies in child care and early childhood education and care have become the predominant social policy imperative (as in other human services areas such as aged and disability care). Free market policies have prevailed with diminishing government involvement in direct funding or assistance to services. There has been competition in child care with market forces dominating. The situation arose where ABC Learning established a market over-supply in suburban areas, but because of costs, neglected the rural and remote areas, as well as the inner city areas
- There is a mixed market of non/profit and private/for profit. The private sector has surged, and community-based centres ceased growth (with some closures) after 1997, when the Commonwealth Government ended operational and capital works subsidies.
- In the WA metropolitan area, there is increasing evidence of oversupply in many outer urban areas, but in areas close to or in the CBD (ie close to the workplace) of high land value, there is little new development of child care places (due to availability of land and high land values). There is an ongoing trend towards redevelopment of areas from industrial to residential and infill housing.
- The development of the corporate child care industry has had extensive impacts on the complexity of the sector. In addition to the competition the corporate sector has brought with it, there has been an increase in the litigiousness and accountability requirements of the sector, resulting in often onerous legal and reporting requirements being placed on voluntary management committee members and their staff who are often ill-equipped to deal with them. These onerous legal requirements are central to child care centres finding it increasingly difficult to attract and retain management committee members.
- Affordability: Costs have risen for the provision of child care and centres have had to pass these costs onto the users of the centres. There are inbuilt expenses to improving quality child care and parents are influenced by cost.
- Employment conditions are generally poor for those working in the sector and contribute to the shortages that have existed in the sector for many years.
- Workforce issues in WA: Staffing and the level of suitably trained staff for the early childhood education and care sector is a major issue and impacts on the quality of services and in some situations the ability of the service to comply with licensing requirements. There has been, for a number of years, a shortage of staff in the sector, particularly trained staff for child care centres. There is also the issue of low status and

poor working conditions for staff in child care, as well as the disparity of wages and conditions between education and child care.

Initiatives are being implemented to try and redress some of these issues. Places for early childhood teaching degree courses have been increased and HECS fees halved for graduates accepting positions in hard-to-place locations; and TAFE fees waived for Diplomas and Advanced Diplomas of Children's Services as part of the National Early Years Workforce Strategy.

In WA, a program commencing this year will provide scholarships worth \$10,000 to eligible applicants in rural and remote areas who wish to upgrade existing children's services qualifications to an early childhood teaching degree. A tender has been awarded to a university to deliver the bridging course. Successful recipients of these scholarships must work for a year in a school based early childhood setting located in the Kimberly or Pilbara regions. While this initiative will raise qualification levels generally, it will have the effect of depleting some of the child care centres of their diploma qualified staff, at a time when it is very difficult to recruit and retain qualified staff.

- The Inquiry into Pay Equity Issues for Women and Issues Relating to Increasing Female Participation in the Workforce was conducted by a House of Representatives committee, chaired by Ms Sharryn Jackson MP. Submissions to this inquiry highlighted the issue of low pay in the early childhood education and care industry and associated problems. Without addressing these issues, little change will occur and workforce development will remain problematic.
- Australia's investment in early childhood services is less than 1 per cent of GDP, which is seen as the minimum benchmark by the European Commission Network on Childcare.

The need for alternative models.

Evidence shows the importance of the early years development for child and community well-being. Research increasingly points to the value of quality child care to support positive outcomes for children and their families. The collapse of ABC Learning offers an opportunity to examine different models.

The demise of ABC Learning has demonstrated that the ABC model of ownership, funding, structure and operation was not sustainable. To what extent external factors have contributed is not clear. However, it appears that the model developed and used by ABC Learning failed, with significant impact on the children using the services, the families of the children, the staff and operators and very significantly, the taxpayers who have ultimately funded the Government rescue package.

The collapse of ABC Learning provides an opportunity to consider a range of options and models so that child care can be sustainable, accessible, affordable and high quality. There needs to be consensus that quality early learning and child care should be universally available, while recognising that high quality child care benefits not only the children themselves now and in the future, but the nation as a whole. Programs developed for pre-birth to five year olds are immensely valuable and should be provided for all children. Research on early brain development highlights the value of quality programs on children's development in all spheres and economic analysis has clearly demonstrated the range of benefits to the community and country of quality early childhood programs.

In WA, the model that is currently used has universal programs commencing the year that a child turns four (that is, kindergarten in WA). There are some universality issues with this

program, due to locations, sessions offered and limitations of access. However, WA is better positioned than many of the other states and territories and universal access is a major COAG reform currently being developed for implementation across Australia. This is a significant advance and quality programs that operate now, or that will be implemented, will have lasting benefits for the children and nation. However, there also needs to be a commitment to the provision of quality early education and child care programs for children less than four years of age.

Quality child care is expensive to provide and there needs to be debate about the cost and whose responsibility it should be to provide this. Wages and conditions in child care are poor and contribute to shortages and high turnover of staff. Quality buildings and equipment are also expensive. Essentially the options are that parents pay considerably more for the child care they purchase or that the services are funded more directly by the government. Currently the Federal Government does provide millions of dollars towards child care, but the majority of this is through the payment of Child Care Benefits (CCB). Ironically millions of dollars have gone into the rescue package for ABC Learning.

This is a philosophical question about the responsibility for providing child care. Some other countries such as the United Kingdom (UK) have recognised the importance of quality early education and child care. The UK has developed programs where two-year-olds in disadvantaged areas will have access to free child care by September 2009 and this program will be rolled out for all two-year-olds in the future. Already the UK has free early education programs for children aged three and four years and this latest initiative will eventually see all children from two onwards able to access a high quality, free program.

A system where government fully funds quality child care, or early childhood education and care in a like manner to funding of K -12 education, requires large investment from public funds. It would also require a shift in the nation's priorities and bi-partisan agreement from politicians.

Whilst it is acknowledged that early childhood education and care is not likely to be funded fully from government, there are some options for greater investment and involvement from government and the private sector which may minimise the risks of non-viability for the child care sector. These are discussed below.

Alternative models or options.

- **Federal Government funding**

The Federal Government's recently announced economic stimulus package has a large cash injection for education. This would be an excellent opportunity to fund the construction of the previously planned Early Learning and Care Centres on school sites or other community owned land. The construction of these centres would assist to provide an economic stimulus, while providing quality programs for young children and their families, and ensure the COAG reform agenda is on track.

- **Government support to community organisations**

The possibility of communities taking responsibility for non-viable ABC Learning centres adds another dimension. If the community based sector assumes responsibility for any of these centres then there may need to be additional government assistance with the set up and on-going support needs. There is a need to invest in practical support to community based/non profit child care, particularly in rural and remote areas. There needs to be subsidies for administration expenses and to encourage economies of scale by bringing together some service functions such as staff training and upgrading the skills of workers, and the procurement of equipment.

- Incentives from employers to provide child care or be involved in child care.

Corporations could be encouraged to be partners in innovative and local service delivery. Some good examples exist in WA such as the Child Care Strategy for the Pilbara, where the YMCA of Perth and BHP Billiton have combined to build and operate child care centres in both Newman and Port Hedland.

The involvement of employers in child care has grown substantially over recent years when employers have implemented attractive recruitment and retention strategies for workers, including in some situations, the provision of child care. Taxation benefits exist through the use of salary sacrificing the cost of child care, which is attractive for higher income workers who are not eligible for full or partial fee relief from CCB payments. However, with a downturn in the resource and finance industries, which were prominent in employer provided child care, the options for expansion of this assistance may be limited. There may be further options by government to make this type of service more affordable. If the Australian Government was to forgo revenue collection of taxes through more generous salary sacrificing for child care, then it could be argued that direct funding of child care may be a better and more equitable option.

- Cluster management funding for community based services

While this model, as operated in Victoria, is not suitable for community based services that wish to maintain autonomy due to the need to dissolve individual management structures and operate under a cluster organisation, it may be an option for consideration for the future of ABC Learning Centres. These centres are accustomed to centralised control of administration, training and support. Cluster management would enable centre staff to continue the day to day operation of the service while the cluster manager controlled administrative and human resource requirements, licensing and regulatory requirements and financial management including wages and bill paying, as well as providing professional support to the child care staff. Options for cluster managers may include local government, existing management organisations or new organisations developed solely for the purpose of managing the cluster services.

Alternatively, this model could be adapted by community based centres in like geographic locations or with like philosophies where a number of services join together to form a new single incorporated association. Under this arrangement each location could nominate a sub-committee but only one legal identity would exist. Alternatively child care centres could form a new overarching incorporated association with a management structure that has representation from each existing parent committee.

A benefit of this model is the reduced need for attracting and retaining management committee members from each service.

c) The role of governments at all levels in:

i. funding for community, not for profit and independent service providers

Community based centres – issues with committees and support

The DfC recognises not for profit services require varying levels of support to enable them to continue to operate.

Community based management, while philosophically sound, has some inherent operational problems in many areas. Almost all committee members have children in the child care centre. Once their children finish child care and members resign, committees often find it very difficult to find replacements. Nearly all management committees are volunteers and in many cases, management committees provide unpaid extra service to centres. If this is not sustainable, it can impact on the operation of centres and can affect their ability to operate.

In general the following observations are made of the community based sector in WA:

- The support needs of the sector are disparate with some services functioning strongly with adequate support while others struggle and lack support across all areas.
- Centres are experiencing difficulties attracting and retaining voluntary management committee members.
- Inexperienced and/or uncommitted (only on the committee so that the centre can remain open) management committees are resulting in additional work for centre directors.
- Insufficient training and support is available for voluntary management committees, particularly in country areas.
- Attracting and retaining staff is difficult unless finances are available to offer above award wages.
- Obtaining relief staff is difficult and service budgets are stretched due to the high cost of relief staff.
- Administrative functions, licensing and accreditation requirements, account for increasingly larger amounts of the coordinator's time.
- Services providers are frustrated at the level of duplication that occurs with each service spending time developing policies and procedures for licensing and accreditation in isolation despite the fact that many of these policies contain identical information.
- Administrative support is required for both staff and committee members.
- The support needs of community based centres appear to be primarily based on the extent to which there is employment of highly experienced, long serving Directors. Should these Directors leave the support needs may increase significantly.

The following issues require further consideration:

- a) Services in the rural and remote areas, particularly in the Kimberley, would be more viable if linked with child health clinics and schools, both government and non-government. Schools and child health clinics are often the only working infrastructure available in remote communities and their involvement with child care or early childhood education and care would strengthen the governance and viability of these services. Creating such links would also complement other Government strategies in early childhood, particularly in strengthening early childhood education for Indigenous children.
- b) In order to become licensed, some services (particularly in remote areas) require substantial assistance by way of a flexible grant to recruit someone for a short to medium term, to assist in establishing policies, recruiting staff etc. This assistance does not necessarily need to be 'on-site'. There is an example of a consultant assisting a service in Halls Creek from offices in Perth. Most remote Aboriginal communities outsource similar requirements, so this is not an unusual situation.
- c) Funding is often problematic and needs to be sufficient and recurrent to enable the service to establish itself and continue to operate a quality service for as long as the demand exists. Regional and remote services are very expensive to establish and operate and the current Federal Government funding offer of \$1.7 million for an early childhood education and care centre is not sufficient.
- d) There is a view that some difficulties are a direct response to the heavy workload placed on services by the Australian Government's accreditation system. That is, responding to the workload required to meet accreditation principles is preventing directors from focusing on other areas of work.

Independent service providers

The above work has been drawn from some of the work DfC is currently undertaking in relation to community services. It could be reasonably assumed that many of the issues discussed relating to management and staffing in the section above would also have significant impact on the commercial sector.

<p>c. The role of governments at all levels in: ii. consistent regulatory frameworks for childcare across the country</p>

The Senate Inquiry would be aware that the Council of Australian Governments (COAG) has agreed to the development of a National Quality System with the aims of:

- reducing the burden on providers
- providing parents with easily accessible information about child care quality and
- supporting ongoing quality improvement.

The system will include streamlining of State regulation and Commonwealth accreditation processes with the aim of removing duplication between State licensing and regulation and Commonwealth accreditation processes. The rating system will provide parents with a guide to the quality of child care settings.

The proposed Quality System will go beyond consistent regulatory frameworks and, it is anticipated, could ultimately lead to integrated regulation and accreditation focussed on children's outcomes. Whilst worthwhile, this is a very long term goal and the achievement of which would be complex.

In the COAG process it is imperative that due regard is paid to the existing state and territory legislation designed to ensure children's safety and wellbeing. It is also important that links with other state regulatory frameworks in areas such as Building and Health are considered and incorporated if necessary.

<p>c. The role of governments at all levels in: iii. licensing requirements to operate childcare centres</p>
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A range of Federal, State and Local government agencies either register a child care business or license aspects of the child care business or require compliance with a regulatory regime.

WA has recently undertaken an extensive state-wide review of the regulations for child care with more than 1100 submissions received from parents, service providers, local government and specialist children's and child care support organisations. Implementation of the 28 recommendations from the Children's Services Regulations Review is now underway.

The strongest feedback related to the protection of children and their health, safety and wellbeing. Other issues identified were the need for minimum qualifications to ensure that care for children is underpinned by up-to-date knowledge, and the importance of qualifications for leadership positions in child care services.

Submissions were consistent in their request for clarification and simplification of the regulations and licensing to allow services to refocus from administrative duties to quality care outcomes.

A typical child care service in WA is subject to regulatory and licensing requirements that can involve as many as 12 agencies across Federal, State and Local governments, and require as many as 19 different licensing and registration requirements. See Attachment 1 for details.

It is clear that the requirements place an onerous burden on operators of services, particularly small and remote ones and those that are not part of large organisations. There is a clear request from the sector to streamline the requirements. Many comments to the review requested a more simplified system for regulation and licensing. These comments will be considered and if possible amendments will be made to simplify the regulatory regime for operators, while not lowering the standard in any way.

**c. The role of governments at all levels in:
iv. nationally consistent training and qualification requirements for childcare workers**

The shortage of appropriately qualified child care staff is well documented. In February 2008, the Pilbara Development Commission described the shortage of child care in their region as 'critical' and having an impact on the region's ability to attract and retain skilled employees across all industries. They acknowledge one of the causes is related to child care workforce recruitment and retention. This shortage is reflected across Western Australia.

The review into the legislation covering licensing for child care services made recommendations aiming to support the best interests of children and enhance workforce development, including better qualifications. Recommendation 3 relates to a minimum qualification for child contact staff, Recommendation 4 addresses the broadening of qualifications and Recommendation 15 outlines the required qualification of the Supervising Officer.

Children's Services Training Package

The National Quality Council endorsed the new CHC08 Community Services Training Package in December 2008. All State and Territory Ministers for Education and Training have signed off on this package. Within this package the following courses relate to the child care sector:

- Certificate III in Children's Services
- Diploma of Children's Services
- Advanced Diploma of Children's Services
- Certificate IV in Children's Services (Outside School Hours Care)
- Diploma of Children's Services (Outside School Hours Care).

Nationally consistent training and qualification requirements for child care staff are supported. However, there must be sufficient scope to make appropriate adjustments to meet the uniqueness of the Australian community between each State and Territory and different service types. The following Vocational Education and Training (VET) units provide examples to outline this issue:

- CHCCN305A, 'Care for babies'
DfC advocated for this unit to be mandatory for WA in the Certificate III in Children's Services as the majority of licensed child care services in WA cater for this age group. It is therefore, essential the child care staff in WA have specialised skills and knowledge regarding the developmental needs of the 0-2 year age group.

- CHCCS400B, *Work within a legal and ethical framework*
This unit covers the Childcare Regulations, there needs to be sufficient scope to include State and Territory specific issues.
- CHCCHILD401A, *Identify and respond to children and young people at risk of harm*
This unit needs scope to address the differences in the child protection requirements and procedures in each State and Territory.

In addition, child care services operating in rural and remote WA cater for diverse communities, e.g. families from Indigenous backgrounds, parents employed in 'fly in, fly out' positions, etc. The families accessing these services have unique needs. It is essential that training for child care staff working in these locations includes units that provide specific knowledge and skills so the staff can meet the individual needs of the children they care for and their families.

Free TAFE Fees for Diploma and Advanced Diploma of Children's Services

In 2009 students undertaking the Advanced Diploma and Diploma of Children's Services will be eligible for free TAFE fees. This initiative is for the TAFE system only and does not extend to delivery of these courses by private Registered Training Organisations (RTOs).

It must be noted that the Certificate III in Children's Services is the prerequisite for these courses. The Productivity Places Program will remove fees for some students for the Certificate III in Children's Services. However, there is eligibility criteria that will exclude some applicants. DfC has advocated (through the Industry Training Advisory Board) that the Certificate III in Children's Services should also be included on the 'Free TAFE Fees' list. It is essential to support people to commence in child care at the entry level to increase the child care workforce.

Teaching Qualifications

The Early Childhood Teaching Courses need to cover the 0-3 year age group. Many of the current courses in WA and other States do not cover this age range and the units offered do not consider child care settings.

- c. The role of governments at all levels in:**
- iv. the collection, evaluation and publishing of reliable, up-to-date data on casual and permanent childcare vacancies**

Data issues

The collection of data is somewhat patchy and not comprehensive enough. At the present time the following inadequacies occur and need to be addressed in order to have useful and reliable data.

- Data collection in relation to strategic planning and measuring the impact on families, around the ABC Learning collapse was limited due utilisation rates not being readily available, as this data comes from Centrelink. Data collected by DEEWR appeared to be out of date, possibly related to the delay in processing of child care management system data.
- The National Childcare Accreditation Council (NCAC) website only lists Child Care Benefit (CCB) registered services and only provides limited vacancy information. Occasional child care services that are not registered for CCB do not appear when searching for child care.

- The NCAC website lists Family Day Care Schemes (FDC) that service a postcode area. This does not equate to the actual membership of FDC scheme regions. In reality FDC providers might belong to a scheme outside their immediate regional location.
- The NCAC website only provides the number of child care vacancies – there is no data on the days, age range of the vacant places.
- The accreditation details on the NCAC website have very limited details. It does not contain any qualitative data that parents might find useful in their assessments of child care services.
- In the case of some occasional child care services, children sometimes only attend intermittently for an hour or so. This can equate to a single child care place being shared by several children on a given day. This would be difficult in relation to collecting vacancy / utilisation data.

Though the COAG process DfC will work to establish comprehensive data collection. At the present time a project is underway that uses data from various sources to map a broad range of indicators, demographics and services. This data will shortly be available to the community and assist in planning and data analysis.

d) The feasibility for establishing a national authority to oversee the childcare industry.

As the Senate Inquiry would be aware, the Council of Australian Governments (COAG) has agreed to streamline the regulation and accreditation of early childhood education and care services for young children. This work is underpinned by consideration of more streamlined governance across states and territories and is supported by WA.

It is acknowledged that at this stage of the COAG discussions the model that may be agreed upon and adopted has not been determined. Therefore implications related to any structural and legal issues have not been included in this submission.

If a national body is established through the COAG process, it should consist of equitable representation of all states and territories and the Commonwealth. The contextualisation required to adequately regulate and accredit within a streamlined system means greater coordination of these operations is likely if both operations are the responsibility of states and territories, under a national body.

Whilst there are merits to this proposal, there are areas requiring careful consideration including the need to be cognisant of the uniqueness of the WA context. The following points are raised for consideration:

- The feasibility of a national body is dependent upon adequate resourcing. From a WA perspective, resourcing would need to attend to the geographical and cultural diversity and population spread of the state.
- One size does not fit all as the vastness and uniqueness of Western Australia presents problems not faced by other States.
- Centralised regulations, policies and procedures do not allow for local demographics, socioeconomic areas and provides less room for innovation and creativity to meet local issues unique to Western Australia.

- The state system of children's services provision and licensing together provide a vital social infrastructure support mechanism which is able to be utilised within the context of community building and family strengthening.
- There is a danger, in attempting to develop nationally consistent regulations, that states and territories will experience reduced standards and regulations in an attempt to reach consensus. This could result in increased risk and loss of potential development for our children.

Considerable work will need to occur to progress this element of the COAG reforms and there will need to be genuine cooperation between all states and territories and the Commonwealth to ensure that the proposal is achievable and sustainable.

Licence and regulatory requirements for Western Australia

A typical child care service in Perth is subject to regulatory and licensing requirements that can involve as many as 12 agencies across Federal, State and Local governments, and require as many as 19 different licensing and registration requirements. The table below gives a representative example:

Principal licences/requirements: essential for this business activity
Australian Business Number
Licence for Child Care Service
Working with Children Check
Related licences/requirements: may be required
Business Name Registration – for new businesses
Australian Government Approval of Child Care Service
National Police Certificate
Registration as an Australian Company
Registration of a Trade Mark
Employment requirements:
Superannuation Guarantee Scheme
Occupational Safety and Health Requirements
Requirements for Fringe Benefits Tax
Tax File Number Application/Enquiry – Individual
Workers' Compensation Insurance
Music
Licence for Public Exhibition of Music Video Clips
Licences for Public Performance and Communication of Copyright Music
Performance-Exhibition Licences: Protected Sound Recordings-Music Video Clips
Taxation
Goods and Services Tax (GST) Registration
Registration as a PAYG Withholder
Waste
Industrial Waste Permit (All Industries / Activities)
Other
Building Code of Australia (administered through the <i>Building Regulations 1989</i>)
Local government laws and procedures
<i>Poisons Act 1964 and Poisons Regulations 1965</i>
<i>Family Court Regulations 1998</i>
<i>Food Act 2008</i>
National Food Standards

In regard to the requirements in Western Australia for a child care license the applicant may be an individual person, a body corporate or a public authority. Individual applicants are natural persons who apply in their own name to hold a child care license while a body corporate is a separate legal entity.

Where the applicant is an individual requirements are for;

- criminal record check
- Working with Children check
- reference checks
- departmental record check
- whether a licence or equivalent authority issued has been cancelled within five years of the date of the application
- evidence of appropriate qualifications as prescribed by the Regulations
- any training and experience in child care or related fields
- a public notice in *The West Australian* newspaper
- health clearance
- assessment of the understanding of young children, the Act and the Regulations

For a Company applicant

- criminal record checks for managerial officers
- Working with Children check for managerial officers
- the licence applicant is of sound financial reputation and stable financial background
- a public notice in *The West Australian* newspaper
- whether a licence or equivalent authority issued to the licence applicant or a managerial officer has been cancelled within five years of the date of the application.

All applicants must submit building and site plans of the child care service.

Before a licence can be approved, a Licensing Officer from the Department for Communities will visit the proposed child care service to ensure it meets the required standards. The Regulations set minimum standards that all child care services must meet to ensure the children's wellbeing.

The Regulations describe standards in areas such as:

- children programmes and play equipment
- staffing qualifications and ratios
- emergency action plans
- buildings and the physical environment
- hygiene practices
- storage of tools and dangerous materials
- keeping of administrative records.