

Victorian Local Governance Association (VLGA) Childcare Alliance – Submission into the Senate Inquiry into the Provision of Childcare

In 2007, the Board of the Victorian Local Governance Association appointed a Childcare Alliance consisting of elected Councillors and Local Government Officers as well as representatives of Community Child Care Victoria. The purpose of this Alliance was to provide advice to the Board and to share information with VLGA members and to jointly advocate for early childhood education and care in Victoria.

The Alliance has developed a Policy Statement, Appendix A, that has already been endorsed by around 20 Local Governments in Victoria, and more are expected to endorse the Statement in 2009.

The Alliance has developed the following vision for the future of early childhood education and care:

- All children should have access to high quality and affordable early childhood education and care.
- Local governments play a key role in the provision of children's services including childcare, maternal-health and welfare services to children.
- Local governments agree that quality and access should come before profits for children's services and that quality childcare contributes to community strengthening, community wellbeing and social and economic sustainability.
- Local governments are a key partner in the provision of childcare and seek to work more closely with State and Federal governments to improve the quality, affordability and accessibility of childcare.

The VLGA's Childcare Alliance submits the following response to the terms of reference for the Senate Inquiry into the Provision of Childcare.

Submission

The Alliance believes the following issues must be addressed by the Senate Inquiry:

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

The demise of ABC Learning has impacted local communities in various ways depending on the number of childcare places in the community that have previously been provided by ABC Learning. Typically, outer suburban areas have had a greater proportion of childcare places provided by ABC Learning and face greater challenges in meeting the needs of families and children.

Local communities coping with the loss of providers associated with ABC Learning (such as Neighbourhood Early Learning) have reported difficulties negotiating the future of the centres associated with ABC Learning, but which are not beneficiaries of federal support arrangements.

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

The Alliance acknowledges the complex relationship that currently exists across three levels of government in the provision of early childhood services.

Childcare is funded, regulated and delivered across federal, state and local governments and therefore requires a coordinated response with all three levels of government contributing to discussions.

It is noted that some local governments do not play a role in the direct delivery of long day care, and that the VLGA's policy is that no policy changes should result in costs being shifted to local governments for the provision of childcare. The state and federal governments must bear greater financial responsibility for child care. With that qualification, the Alliance submits the following comments with respect to the role that local government can and does play in Victoria

- Local governments are a key partner in consortiums delivering early children's services under the integrated hub model, particularly where these hubs are to be built on government land.
- Many Victorian local governments subsidise and provide childcare. Local governments across Victoria play a key role in the provision of early childhood services including maternal-health and welfare services for children.
- Local governments are well placed to take a leading role in the coordinated delivery of quality, affordable and accessible childcare either as direct providers or coordinating partners.

c) The role of governments at all levels in:

a. Funding for community, not-for-profit and independent service providers

The Alliance would like capital funding promised in the Australian Labor Party's election platform to be targeted at not for profit services in local communities experiencing unmet demand (especially in growth corridors, places where land costs are prohibitive and areas of social isolation).

The Alliance would like to see a coordinated approach to operational funding for not for profit sector to meet standards of best practice including exemplary staff conditions, wages and skill recognition to ensure staff retention.

The Alliance requests that discussions be held with the Federal, State and Local governments about operational funding arrangements as well as already promised capital development for not for profit centres, to accommodate changes in regulations

The Alliance submits that direct funding to providers maintains a strong relationship with quality assurance and that operational subsidies (coordinated across government levels) to all not for profit childcare would lead to greater parity of staff wages and conditions and affordability across the community childcare sector.

This is argued in the context of under-spending on Australian early childhood services:

- Currently, Australia's early childhood education is not competitive by world standards. We invest 0.1% of GDP in early childhood education compared to an OECD av. of 0.5% (Marginson:2007).
- 51.3% of Australian mothers of children aged 2 years are in the workforce; rising to 70% of mothers of 3 year olds (ABS, 2004). This is one of the lowest workforce participation rates for mothers in OECD countries.
- Public investment in child care is much lower than the public spending on other sectors of education (preschool attracts about 20% of the public funding afforded to primary school a US study has shown – *Early Learning Left Out, 2004*).
- The long term benefits of expenditure in early childhood education are significant, with every dollar spent in this area, there are total economic benefits of \$8.11 (Martin:2004).

b. Consistent regulatory frameworks for child care across the country

The Alliance submits that national childcare Standards and quality assessment processes need to improve:

- **Improvements to staff to child ratios** for centre-based services (particularly for babies)
- **Maximum group / room sizes** to ensure that noise levels are controlled and the dynamics of the environments in which children spend their time
- **Raising the level of required qualifications**
 - o Minimum Certificate III in Children's Services for all staff (Certificate III should be regarded as a minimum training requirement, not as a qualification)
 - o At least one staff member with a 3-year degree in early (LDC) / middle childhood (OSHC) in every service

- o Every group of children should have at least one fully qualified staff member included in the care givers (Diploma level or higher); and
- o Increased opportunities and support for degree studies in recognition of the continuum of learning and the integration of kindergarten and child care services

- **Appropriate programming** to ensure that all children have access to a program which is developmentally and culturally appropriate and adequate planning time is provided to staff for the development of programs.

The Alliance believes that it will be necessary to allow time for services to adapt to the changed requirements, with funding for training or any required building renovations in not-for-profit community owned services

c. Licensing requirements to operate child care centres

It is necessary to maintain high standards for accreditation. The Childcare Quality Accreditation System, which is currently under review, needs to be focused on quality and continuous improvement, not just meeting minimum standards.

The sector needs to meet standards of best practice including exemplary staff conditions, wages and skill recognition to ensure staff retention. Increased opportunities for workforce skill development by way of further study to complete appropriate degrees and diplomas is also required.

d. Nationally-consistent training and qualification requirements for child care workers

The Alliance is concerned about the national shortage of qualified early childhood professionals and welcomes measures to increase the quality, accessibility and affordability of training courses.

The Alliance also identifies the need to:

- Address the impact of high staff turnover on staff shortages and work to improve staff retention through wages, conditions and professional development.
- Improve links between childcare professionals with early learning networks through the integration of children's services.
- Bridge the care-education divide by establishing a national professional registration scheme, and skills development. Registered staff could be eligible for recognition and reward schemes funded by the Federal Government to improve retention.
- Clarify availability of 'scholarships' and half HECS places for Early Childhood diplomas and degrees. Define measures of the success of this investment by tracking the completion rate and subsequent length of service.
- Survey staff leaving the sector to prioritise the factors that will address the high turnover.

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

Data collecting and sharing to support planning is required. Local governments have access to data on the supply of and demand for childcare that is useful in policy development, implementation and planning for service provision.

Other related matters

The Alliance would also like to see measures to improve the following aspects of early childhood services:

Affordability

- A partnership approach led by Federal Government and involving State and Local governments to expand the not-for-profit, community based sector which will, in turn, offer more places.
- Capital funding grants to local government and other not-for-profit child care providers to upgrade not-for-profit services to ensure they can continue to operate safely and provide high quality care
- Investment in innovative not-for-profit community owned services to meet the needs all children in all communities particularly

Aboriginal and Torres Strait Islander, rural and Culturally And Linguistically Diverse communities.

Areas of Need

- Extra funding should be targeted at not-for-profit services in local communities experiencing unmet demand (especially those in high growth corridors, and in areas where land costs are prohibitive) and in areas of high socio economic need. This funding should also target:
 - o Under three year olds
 - o Children with additional needs; and
 - o Occasional care

Appendix A

Local Government Statement on Childcare

We, the undersigned Victorian Local Governments note the importance of child care and the benefits it provides including community strengthening, community wellbeing, as well as social and economic sustainability.

Local governments are well placed to play a role in the direct provision of early childhood services because of the capacity of local governments to:

- Respond to local needs;
- Address planning implications through local plans;
- Provide effective networking and professional development for staff and parents;
- Effectively integrate the range of family services offered;
- Deliver excellent and highly appraised early learning education and care services;
- Attract experienced and skilled employees in family services;
- Deliver affordable services;
- Advocate to other levels of government.

We therefore support the following range of recommendations that seek to improve the quality, affordability and accessibility of childcare.

1. Response to the State Government's Children's Services Regulations Review and the provision of quality child care services

- **Improve Staff to Child Ratios** for centre-based services (particularly for babies)
- **Maximum Group / Room Size** to ensure that noise levels are controlled and the dynamics of the environments in which children spend their time
- **Raise the Level of Qualifications Required**
 - Minimum Certificate III in Children's Services for all staff (Certificate III should be regarded as a minimum training requirement, not as a qualification)
 - At least one staff member with a 3-year degree in early (LDC) / middle childhood (OSHC) in every service, and
 - Every group of children should have at least one fully qualified staff member included in the care givers (Diploma level or higher)

- Increased opportunities and support for degree studies in recognition of the continuum of learning and the integration of kindergarten and child care services
- **Appropriate Programming** to ensure that all children have access to a program which is developmentally and culturally appropriate and adequate planning time
- **Phase-in of all New Regulations** to allow time for services to adapt to the requirements of the new Children's Services Regulations, with funding for training or any required building renovations in not-for-profit community owned services
- **Maintaining high standards for accreditation.** The Childcare Quality Accreditation System, which is currently under review, needs to be focused on quality and continuous improvement, not just meeting minimum standards. Simply by having 'Quality' inserted in the system name will not achieve this on its own
- Operational funding for not-for-profit sector to meet standards of best practice including exemplary staff conditions, wages and skill recognition to ensure staff retention
- Increased opportunities for workforce skill development by way of further study to complete appropriate degrees and diplomas

2. Affordability

- A partnership approach led by Federal Government and involving State and Local governments to ensure an increase in the number of child care places at community-owned and managed services
- Capital funding grants to local government and other not-for-profit child care centres to upgrade not-for-profit services to ensure they can continue to operate safely and provide high quality care
- Investment in innovative not-for-profit community owned services to meet the needs all children in all communities particularly indigenous, rural and CALD.
- The exemption of childcare from National Competition Policy and the application of competitive neutrality.

3. Areas of Need

- The Federal Government must recognise the shortcomings of the 'market' approach to funding childcare
- Extra funding should therefore be targeted at not-for-profit services in local communities experiencing unmet demand (especially those in high growth corridors, and in areas where land costs are prohibitive) and in areas of low socio economic need. This funding should also target:
 - Under three year olds
 - Children with additional needs
 - Occasional care

- Development of a State Government regulated waiting list system that is managed by Local Government and meets the needs of data collection and accessibility to quality child care.

4. Sustainability and Collaboration

- Information sharing about the diversity roles Local Governments can and are playing.
- Data collecting and sharing (including a universal waiting list) to support planning as well as advocacy for further funding from State and Federal Governments
- The formation of a Local Government and Community Childcare Alliance that;
 - Acknowledges the complexity of individual needs and contexts in Local Governments, and partnerships that could be developed to expand the not-for-profit community sector
 - Seeks to broker common areas of agreement rather than focus on disagreement
 - Asserts the importance of Municipal Early Years Plans in policy development
 - Has early input into the role of Local Government in the roll-out of integrated service delivery in co-located child and family services hubs.

References

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