

**Submission to the Senate
Education, Employment and
Workplace Relations Committee**

**Inquiry into the provision of
childcare**

**By
CHARLTON BROWN®**



Summary

- The collapse of ABC Learning Centres has shown the shortcomings of the current childcare landscape in Australia and has placed children at risk by forcing families to use unregulated childcare options.
- The standard of childcare should be non-negotiable. No matter what the economic environment, the standard of childcare in Australia cannot be allowed to drop.
- The collapse of ABC Learning Centres has had a marked impact on the confidence of parents in the Australian childcare system.
- Families need to have freedom of choice when it comes to childcare.
- Increasing awareness levels of alternative models of childcare should be a priority.
- A review of the current funding model for childcare in Australia is needed – the dollar needs to follow the child.
- The Governments' commitment to better support community based centres, not-for-profit organisations and independent service providers is a great initiative and needs to continue.
- A national approach to developing a framework for childcare is imperative, involving practitioners from all states and territories in discussions.
- The introduction of a nationally consistent training and qualification requirements system would be a major step in improving the Australian childcare landscape.
- Revamping the delivery of training and qualification requirements should be a Government priority.
- The Governments' move to establish a national authority to oversee the childcare industry in Australia is endorsed by CHARLTON BROWN®.

About CHARLTON BROWN®

CHARLTON BROWN® is Australia's leading education and placement service provider in the care industries.

Established in 1985, CHARLTON BROWN® was established for the dual purpose of training and employing qualified and professional carers and nannies.

We are a private Registered Training Organisation that has trained and placed more than 7,000 students.

We offer a range of courses and placements in the Child Care, Aged Care, Disability Care, Welfare and Nanny Service industries, around Australia and overseas.

CHARLTON BROWN®'s role as both educator and employment provider gives the organisation a unique and knowledgeable insight into the childcare industry in Australia.

As Chief Executive Officer of CHARLTON BROWN®, I have been heavily involved in the training industry through my contribution to the Australian Council for Private Education and Training (ACPET) as Queensland State Chair and member of the national board.

I have also served as Chair of the VET Working Party, and member of the Queensland Studies Authority (QSA) VET in Schools working party, Queensland Education & Training International (QETI) Export Board and the DETA Professional Development and Disability Working Parties.

In 2005 I contributed to The Standing Committee for Family & Human Services - a Federal Government initiative to investigate ways the Government can better help families balance their work and family responsibilities, headed up by The Hon. Bronwyn Bishop MP.

I have been recognised within the business community winning the 2008 Queensland Business Review (QBR) Women in Business Award and the 2007 CEO Challenge and being named a finalist in the 2008 Telstra Women's Business Awards.

As CHARLTON BROWN® Chief Executive Officer I authorise this submission on behalf of CHARLTON BROWN®.



Kay Ganley
CEO
CHARLTON BROWN®

The impact of the ABC Learning Centres collapse on childcare in Australia

Forced families to turn to unregulated childcare options

The collapse of ABC Learning Centres has shown the shortcomings of the current childcare landscape in Australia and has placed children at risk by forcing families to use unregulated childcare options.

The demise of operators such as ABC Learning Centres and CFK Childcare Centres have seen an increase in families turning to relatives, friends and unregulated operators to ensure they continue to meet work commitments.

This trend is also being fuelled by the fact that many families are in the dark about Government subsidies for qualified childcare options outside of centre-based care - options such as In-Home Care and family-based care.

The standard of childcare should be non-negotiable. No matter what the economic environment, the standard of childcare in Australia cannot be allowed to drop.

There is a significant difference between regulated childcare and child minding by an untrained person.

Trained childcare workers provide so much more than just supervision. They know how to interact with a child to build vital communication and social skills.

Families who are being forced to use individuals without the necessary childcare training and qualifications are placing the safety and early learning development of their child at risk.

Confidence has been shaken

The collapse of ABC Learning Centres has also had a marked impact on the confidence of parents in the Australian childcare system. Many have been burnt by recent occurrences and trust needs to be restored.

Trust can only be built on open and effective communication where parents are educated about all childcare options available to them and what strategies are being implemented to ensure that a situation similar to the ABC collapse can never happen again.

Impact on Australian Defence Force families

The contract between the Australian Defence Force and ABC Learning saw ABC manage 18 Defence owned childcare centres and offers priority placing in another 20 ABC Centres for Defence families.

With 1,450 Defence children enrolled in ABC childcare centres across the country, the collapse of ABC means priority should be placed on finding alternative places for Australian Defence Force families where centres have been closed.

Alternative options and models of childcare in Australia

One of the priorities in the aftermath of the collapse of ABC Learning Centres is the need to greatly increase awareness levels of alternative models of childcare that can be accessed by Australian families.

Freedom of choice

Families need to have freedom of choice when it comes to childcare.

The vast majority of Australian families automatically associate the word “childcare” with centre-based care. The over reliance on one model of childcare is detrimental to the industry, as has been evidenced by corporate collapses.

Today, Australian families are extremely diverse in their cultural backgrounds, their work commitments and their individual child development needs.

One model of childcare can never seek to meet the childcare requirements for each Australian family. It therefore follows that families should be educated about ALL childcare options available to them. This is not currently occurring.

The dollar needs to follow the child

There is a disparity between the funding models for school education and childcare. In the school education system the “Government dollar” follows the child i.e. when a school student moves to another education system, the funding follows the student.

In the current childcare funding structure the dollar follows the childcare operator and not the child. This leads to a situation where families are not encouraged to move to another model of childcare, even though it may produce significant benefits for the child and the family.

We strongly encourage a review of the current funding model for childcare in Australia so families are not financially penalised by choosing one model of childcare over another – the dollar needs to follow the child.

Alternative childcare models that need greater focus include:

In-Home Care

In-Home Care is targeted to families as a fallback option when they are unable to access existing childcare services due to shift work, their location in rural or remote regions or families with multiple births or children with a disability.

For many families, In-Home Care should be seen as the preferred model of childcare as it will produce the best outcomes for the child – the most important criteria to use in deciding the most suitable model of childcare.

CHARLTON BROWN® is of the opinion that many families who meet the criteria to receive funding for In Home Care simply aren't aware they can access this service which could have a positive impact on their quality of life.

Not-for-profit and community-based centres

There is a role for both private and not-for-profit service providers in the Australian childcare industry. Again the key is to ensure that families are aware of the options available to them and can access appropriate information to enable them to make an informed decision that will lead to the best outcomes for the child and the family.

Government's role in funding community, not-for-profit and independent service providers

One of the key lessons from the ABC Learning Centres collapse must be to gain a better understanding of the impact this corporate failure has had on the economy and the impact on families and young children stranded in the transition period.

It is vital that we learn from this and ensure that this is NOT repeated in the future.

From a funding perspective, CHARLTON BROWN® advocates for a system where Government supports both private and community-based care in an equitable fashion.

It has been reported that Government funding accounted for more than 40 per cent of ABC Learning Centres annual revenue (approximately \$330 million). For one organisation (whether private or community based) to receive this level of funding suggests an uneven playing field.

As discussed previously, CHARLTON BROWN® believes the Government funding should follow the "child" and not the "childcare operator".

The Governments' commitment to better support community based centres, not-for-profit organisations and independent service providers is a great initiative and needs to continue.

Developing regulatory frameworks for childcare

The Senate Committee should be applauded for placing regulatory frameworks on its Terms of Reference.

In a country like Australia it is essential that children receive a consistent level of care no matter where they live or what form of childcare they use.

It is our strong view that a national approach to developing a framework for childcare is adopted, involving practitioners from all states and territories in discussions.

Often forgotten, the views and issues of regional and rural carers need to be taken into consideration in these discussions.

The Council of Australian Governments (COAG) should be commended for the discussion paper *A national quality framework for early childhood education and care*.

Traditionally regulatory arrangements have been adapted from institutionalised care models with little thought for how they can be adapted for other care models - such as In-Home care.

Our view is that the regulatory framework needs to be adaptable and relevant to all childcare models – not just institutionalised care.

We also call for greater lead up times to allow rural and regional carers to travel to major cities to participate in this important process.

Governments' role in developing nationally-consistent training and qualification requirements for childcare workers

Of major concern is the most recent report by UNICEF which ranks Australia as third worst among OECD countries in early childhood services. For a country like Australia this is simply not acceptable.

A major step in improving the Australian childcare landscape is the introduction of a nationally consistent training and qualification requirements system.

It is high time that revamping the delivery of training and qualification requirements is seen as a Government priority. The improvement of training in Australia will directly lead to better education outcomes for young children.

Still need flexibility

Again we believe a 'one size fits all' regime will not allow for flexibility or meet the diverse needs of Australian families. So while we need national consistency, there also needs to be suitable flexibility to meet the wide-ranging childcare needs of families.

Shortage of childcare workers

Another key issue is the shortage of qualified childcare workers which is directly impacting on the quality of care offered in some areas. The introduction of nationally-consistent training and qualification requirements should not be seen as a barrier to entry into this industry, but rather as a benefit that will strengthen employment opportunities across the country.

Introduction of a national checking regime

Currently the Child Safety staff checking regime (i.e. Working with Children Check) uses different arrangements in each state and territory. This means a childcare worker moving from Queensland to New South Wales has to undergo another checking regime.

This can be seen as a barrier, driving people out of the industry at a time when we face a shortage of qualified childcare workers.

CHARLTON BROWN® calls for the introduction of a national checking regime to alleviate the current situation.

Governments' role in collection, evaluation and publishing of reliable, up-to-date data on casual and permanent childcare vacancies

CHARLTON BROWN®'s view is that unless these vacancies are advertised on a weekly basis it will not provide substantial benefits to families.

While there will be cost saving in providing information to a central location, our experience indicates that centralisation has never provided meaningful improvements at the child/family level.

Establishing a national authority to oversee the childcare industry in Australia

CHARLTON BROWN® commends this move by the Government. What is important is that this organisation is represented by members from all states and territories that have the necessary knowledge and experience in this area.

Importantly we see the role of a national authority is to support all care arrangements, not solely centre-based care. This is critical.

Lobby groups, particularly from the not-for-profit sectors seem to have their own interests at heart, but are listened to by Federal Government. The interests of children and families should be the primary concern, not lobby groups.