

WORK AND FAMILY POLICY ROUNDTABLE

<http://www.familypolicyroundtable.com.au/>

Convenors

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4 February, 2009

Mr John Carter

Committee Secretary

Senate Education, Employment and Workplace Relations Committee

PO Box 6100

Parliament House

CANBERRA ACT 2600

Submission to Senate Inquiry into the Provision of Child Care in Australia

Thank you for this opportunity to make a submission (as attached) to the inquiry into the Provision of Child Care in Australia. The Work + Family Policy Roundtable (W+FPR) is a group of active researchers at Australian universities and research organisations. We specialise in analysing work and family life issues, and have focused on childcare in recent years.

The Commonwealth Government and other governments and industry bodies have provided a number of us with funding to examine issues affecting work and family, including paid maternity leave, and changing patterns of work (broadly defined) in Australia, and their impacts on the well-being of Australian women, men and children, households, communities and workplaces. Our analysis, which extends to international comparisons, has proceeded through diverse projects at a number of universities. This submission draws on this body of work and allows us to locate the Australian situation in the context of international standards.

This submission is particularly relevant to the first three terms of reference of the inquiry. In 2006 the Roundtable concentrated its efforts on the issue of childcare and the kinds of policy principles that might inform the development of good childcare policy in Australia. We draw the Inquiry's attention to the 'Ten Policy Principles for a National System of Early Childhood Education and Care' appended to this document.

There is an urgent need to reshape our workplaces and social institutions to provide genuine equal opportunity for women, and to accommodate new household structures and the current composition of the labour force. The provision of affordable, high quality childcare plays a critical role in promoting gender equality and the well-being of children and working parents.

Yours faithfully



On behalf of the W+FP Roundtable co-convenors

Professor Barbara Pocock and Dr Elizabeth Hill

1. Introduction to the Australian Work + Family Policy Roundtable

The Australian Work + Family Policy Roundtable is made up of researchers with expertise on work and family policy. Its goal is to propose, comment upon, collect and disseminate relevant policy research to inform good, evidence-based public policy in Australia.

Members of the Australian Work + Family Policy Roundtable include:

- Marian Baird, The University of Sydney
- Wendy Boyd, Queensland University of Technology
- Deborah Brennan, The University of New South Wales
- John Buchanan, Workplace Research Centre, The University of Sydney
- Bettina Cass, University of New South Wales
- Sara Charlesworth, Centre for Applied Social Research, RMIT University
- Eva Cox, The University of Technology, Sydney
- Elizabeth Hill, The University of Sydney
- Therese Jefferson, Curtin University of Technology
- Sarah Maddison, The University of New South Wales
- Jill Murray, La Trobe University
- Barbara Pocock, The University of South Australia
- Alison Preston, Curtin University of Technology
- Belinda Smith, The University of Sydney
- Lyndall Strazdins, Australian National University
- Trish Todd, The University of Western Australia
- Brigid Van Wanrooy, Workplace Research Centre, The University of Sydney
- Gillian Whitehouse, The University of Queensland

The Roundtable Convenors are Elizabeth Hill and Barbara Pocock.

Over the past three years the Roundtable has actively participated in public debate about work and family policy providing research-based submissions to relevant public inquiries, disseminating current research through publications for public commentary and through the media.

Publication of the Roundtable's *Ten Policy Principles for a National System of Early Childhood Education and Care* and the *Work and Family Policy Benchmarks for the 2007 Election* in particular generated considerable public commentary during 2007.

The Roundtable's work on Early Childhood Education and Care led to the publication of *Kids Count : better early childhood education and care in Australia*, edited by Elizabeth Hill, Barbara Pocock and Alison Elliott, Sydney University Press, Sydney.

For further details on the Roundtable's activities please refer to the web-site:

www.familypolicyroundtable.com.au/

2. Terms of reference of the inquiry

The terms of reference for the Senate Inquiry into the Provision of Child Care are:

- i. the financial, social and industry impact of the ABC Learning collapse on the provision of child care in Australia;
- ii. alternative options and models for the provision of child care;
- iii. the role of governments at all levels in:
 - i. funding for community, not-for-profit and independent service providers,
 - ii. consistent regulatory frameworks for child care across the country,
 - iii. licensing requirements to operate child care centres,
 - iv. nationally-consistent training and qualification requirements for child care workers, and
 - v. the collection, evaluation and publishing of reliable, up-to-date data on casual and permanent child care vacancies;
- iv. the feasibility for establishing a national authority to oversee the child care industry in Australia; and
- v. other related matters.

This submission is particularly relevant to the first three terms of reference. We draw the Inquiry's attention to the 'Ten Policy Principles for a National System of Early Childhood Education and Care' appended to this document.

(i) 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 an event of tremendous significance for the provision of child care in Australia. The closure of 55 centres, the receiver's attempt to find buyers for 241 'precarious' centres, and the uncertain future of the remainder of the centres have been devastating for the staff and families involved and for the local communities in which these centres are located.

As important as the failure of ABC Learning is, however, we hope that the government (and this inquiry) will focus on the structural underpinnings of early childhood education and care (ECEC) rather than the failure of this company. To do otherwise would be fall into the trap of assuming that Australian child care has been damaged by a single 'bad apple' and that recovery will be assured if the apple is removed. We disagree. The Australian government has announced a range of policy commitments including:

- Universal early childhood education
- Integrated parent and child centres
- Indigenous Strategy
- Early years learning framework
- Improved quality
- New services
- Improved affordability

It is our contention that fundamental reform of the Australian ECEC system is required in order to deliver this ambitious suite of reforms and innovations. By 'reform' we mean reconsideration of the philosophical, financial, administrative and professional underpinnings of the entire ECEC system.

(ii) Alternative options and models for the provision of child care

Since the election of the Rudd government, childhood education and care (ECEC) has moved to the centre of the government's social and economic initiatives and goals. ECEC is, for the first time, being seen both as valuable in itself and as a means to contribute to long-term social and economic strategies such as enhanced productivity and higher labour force participation, skills formation, social inclusion and the 'education revolution'. ECEC has a high priority in the Australian government's social and economic agenda. However, the government's ambitions will not be realised without a major restructuring of ECEC, including a reconceptualisation of its underlying goals and anticipated outcomes, a reconfiguration of the administrative structures that hold it together, a financial and moral commitment to wages and conditions that reflect the vital community role performed by ECEC staff and a careful reappraisal of the relationships between the Commonwealth and States.

The government's agenda builds on work initiated by the Council of Australian Governments (COAG) in the context of its human capital and productivity agenda. In February 2006, COAG noted that 'High quality and integrated early childhood education and care services, encompassing the period from prenatal up to and including the transition to the first years of school, are critical to increasing the proportion of children entering school with the basic skills for life and learning.' It gave priority to improving early childhood development outcomes, as a part of a collaborative national approach. Later in 2006, a COAG communiqué included both early childhood ('with the aim of supporting families in improving childhood development outcomes in the first five years of a child's life, up to and including school entry') and child care ('with the aim of encouraging and supporting workforce participation of parents with dependent children') amongst its priority areas for human capital.

The COAG agenda has moved towards a child-centred, integrated approach to children's services. The Commonwealth and States are now committed to a national approach to quality assurance and regulations for early childhood education and care. This purpose of this is 'to improve standards in early childhood services, remove overlaps and duplication between State and Commonwealth regulations and reduce red tape for service providers'. We welcome this initiative with the proviso that it must not be used to lower service standards in any state.

(iii) The role of governments at all levels

The W+FPR has developed some clear guiding principles for the development of childcare policy in Australia. Each of these principles requires action to be taken by government – both federal and state. The principles were developed at a national workshop '*Childcare: A Better Policy Framework for Australia*' sponsored by the Academy of Social Sciences in Australia (ASSA) and convened by the University of Sydney and University of South Australia, 13-14th July 2006, through the 'Work +Family Policy Roundtable'.

The workshop brought together twenty-one Australian and international researchers on early childhood education and care and related policy perspectives, from a diverse range of disciplinary backgrounds, including economics, sociology, paediatrics and child health, early childhood, political economy, psychology, government and working life. Five experts from the community sector and governments also attended.

This group of experts discussed the current research evidence about early childhood education and care in Australia and internationally. Fifteen papers were presented. The workshop resulted in an edited book published by the University of Sydney Press and edited by Dr Alison Elliot, Dr Elizabeth Hill and Professor Barbara Pocock called *Kids Count: better early childhood education and care in Australia*.

On the final day of the workshop researcher participants agreed on a statement of principles that arise from the existing body of research on early childhood education and care, in the Australian context.

To summarise, the group of experts agreed on the need for a new nationally coordinated, planned approach to an integrated system of early childhood education and care (ECEC). Discussion supported

an ECEC system that gives priority to the needs of children and their well-being, places the issue of high quality care and education more centrally on the policy agenda, and recognises the pressing need for increased public funding to ensure universal access to early childhood education and care services for all children from birth to school entry. Discussion also recognised the need to locate good ECEC policy alongside other important policy initiatives like paid parental leave and a progressive individual tax system.

This academic workshop was held at the same time as the Council of Australian Governments was meeting to consider a National Reform Agenda covering, amongst other areas, Human Capital. The resulting communiqué (14th July 2006) includes Human Capital reforms in four priority areas including:

Early childhood – with the aim of supporting families in improving childhood development outcomes in the first five years of child's life, up to and including school entry.

Childcare – with the aim of encouraging and supporting workforce participation of parents with dependent children (COAG Communiqué, 14th July 2006, p 6).

At the time participants at the ASSA Workshop hoped that the principles derived from the discussions and the summary of the workshop might help inform Australian governments as they move down the path of reform in the area of early childhood education and care. These principles are attached below.

Ten Policy Principles for a National System of Early Childhood Education and Care

1. Promote the well-being of all children

The primary goal and guiding principle of a national system of early childhood education and care (ECEC) should be the well-being of all children.

A system of high quality education and care should emphasise children's development and well-being. This will have measurable positive effects on the health and well-being of children in the present and into the future and promote social equity.

2. Early Childhood Care and Education is a Public Good

A high quality early childhood education and care system is a public good, and so requires significant public investment.

The benefits of high quality early childhood education and care accrue to children and their families, but they also accrue to society more broadly. High quality early childhood education and care that prioritises the needs of children will have a positive impact on women's participation in employment, gender equity, human capital development and economic growth. This 'public good' property of high quality ECEC means that significant, ongoing government investment is required to ensure adequate resources are devoted to it.

3. Universal Early Childhood Education and Care

Australian governments should implement a national, universal and integrated early childhood education and care system, particularly for children in the two years prior to starting school, and up to three years for children from disadvantaged backgrounds.

International evidence about the positive role that early childhood education and care plays in the development and well-being of all young children provides a strong case for this. The evidence supports access to at least two years early childhood education for all children under school age, and access from the age of two for children in disadvantaged households. Education and care interventions

in the early years have a demonstrated capacity to narrow social inequity and improve the health, educational and economic outcomes of children from disadvantaged backgrounds over the life course. Universal access to a guaranteed option of education and care prior to starting formal schooling will complement the services available to babies and infants under a nationally integrated ECEC system.

4. Rational Planning of ECEC System Growth

Governments must collaborate to plan a rational expansion of the ECEC system in order to meet the needs of all children equitably, to ensure that service quality is high, and to maintain diversity in provision to give parents genuine choice.

Private investment decisions, rather than need, increasingly determine the distribution of ECEC services in Australia. Further, increasing rates of corporate provision of ECEC services in Australia, especially long day care, pose a significant challenge to accessible, high quality outcomes for children. A growing body of international and Australian evidence suggests that quality is threatened where the interests of shareholders conflict with the interests of children. Government support should therefore be adjusted to expand public ECEC services, especially those linked to other services and community-capacity-building activities, in the context of a rationally planned expansion of provision. This includes renewed support for capital grants and/or the provision of land at concessional rates to encourage public services to be built in poorly serviced areas and integrated with other public services.

5. High Quality Standards

High quality education and care, especially a high ratio of university or TAFE trained and appropriately qualified staff to children, is the priority issue in ensuring positive outcomes for children.

An accumulating body of international evidence suggests that positive outcomes for children arising from early childhood education and care are directly related to the quality of these environments. High quality is a function of staffing ratios, carer and teacher skills and qualifications, and the size of the care group. National quality standards must reflect international best practice. Research supports staff/child ratios of at least 1 adult to 3 children for infants (1:3); at least one adult to four children for one to two year olds (1:4), and at least one adult to eight children for three to five year olds (1:8). A commitment to high quality care requires implementation of these ratios in all sectors of ECEC. Teachers and other ECEC staff must be appropriately trained and qualified. To be effective, these standards must be linked to a robust regulatory and compliance regime.

6. Good Employment Practices

High quality care depends upon stable, qualified, appropriately rewarded staff.

Children and parents benefit from long-term care relationships. Stable care relationships, and the recruitment and retention of skilled teachers and carers, requires secure jobs, attractive pay and conditions, and rewards for higher education and training. Wages in the sector remain too low despite recent increases, and many services lack enough skilled teachers and carers. Professional qualifications and wages for carers and teachers must be upgraded. Trained and qualified staff must be rewarded commensurate with other comparable workers. Resources must be made available to allow teachers and other staff adequate time to undertake program design, documentation, reporting and in-service training. Government has a strategic role to play in developing a workforce planning strategy to meet current critical shortages of appropriately qualified ECEC teachers.

7. A Robust Regulatory System

High quality early childhood education and care requires a robust and integrated system of monitoring and compliance that is based on best practice standards and which targets structural, process and adult work quality dimensions.

Government regulation can play a critical role in promoting and safeguarding high quality ECEC. Australian research suggests that the current national accreditation system and state regulations have limited capacity to effect high quality ECEC. An effective regulatory framework will promote high structural standards (ie. staff to child ratios, small group sizes, and qualified teachers); standards of excellence in children's experiences whilst in ECEC services; and best practice adult work experience (eg. job satisfaction, work conditions, staff retention rates). A robust system must be able to identify and enforce sanctions on centres that provide poor quality care, whilst also actively recognising and supporting ECEC teachers and staff committed to providing high quality education and care. An effective regulatory system will be transparent and subject to ongoing independent review by appropriately qualified reviewers.

8. Affordable and Equitable ECEC Services

Access to ECEC and good outcomes for children depends upon affordable services.

Evidence suggests that the costs of ECEC are increasing much faster than inflation in Australia. The cost of high quality care makes affordability a significant and ongoing concern for parents and ECEC providers. An investigation into alternative funding methods to ensure affordability and sustain the growth of ECEC provision into the future must be undertaken. COAG is urged, as part of its National Reform Agenda addressing the promotion of Human Capital, to investigate the feasibility of pooling public sector funding for early childhood infrastructure and funding from different jurisdictions and government agencies to create a more affordable, equitable and integrated system of ECEC.

9. Supportive Parental Leave and Tax Policies

A high quality ECEC care system requires supportive, complementary policies.

International evidence shows that significant benefit will flow to children and working carers from Australia's adoption of a universal system of paid parental leave that gives parents and primary carers the practical opportunity to take leave from work for at least a year, and preferably up to eighteen months, to care for infants and young children. This requires a payment system that confers a living wage during the period of leave, allows it to be combined with other forms of leave (including the opportunity to request to return to work part-time) and allows parents to share leave (and requires fathers to use a portion of it on a 'use it or lose it basis'). The effective and efficient use of parental leave policies requires a progressive individual tax system that does not penalise parents who move between paid work and caring duties or disadvantage dual-income households.

10. Building Healthy Communities and Social Capital

Well resourced ECEC centres provide a focal point or 'hub' for multiple community services that support families with young children and strengthen community capacity.

Co-locating ECEC services with other educational and child and parent health clinics and services facilitates important 'social joins' and strengthens social connections for both children and parents. These settings can be sites for other universal family support services for families with babies and very young children. This will ensure that all adults responsible for the care of young children are able to access the support they need to offer young children the best possible experiences for nurture and learning. ECEC services that link with schooling facilities help to build child and parent communities and create natural bridges for children into formal education and social life. These are cost effective and transport and time efficient.