

Family Day Care Australia Submission

Senate Inquiry into the Provision of Child Care, January 2009



Summary Table of Amendments and Changes

In light of the fast pace of change across all aspects of the child care sector over the period since the submission was originally written, Family Day Care Australia has provided clarification and updating of information provided to the Senate Inquiry into the Provision of Child Care in January 2009.

Page Changes	Original Text	Amended text
1	29 January 2008	29 January 2009
1	84,350 children	102,982 children
1	1,753 support staff	Approximately 2,000 support staff
1	small home-based businesses on a contractual basis	small home-based businesses registered with
1	operated by local providers such as churches, community groups and local government under funding agreements with the Australian Government.	broken down as follows: 50% operated by community groups, 39% by local government under funding agreements with the Australian Government, with the addition of 11% of schemes operated privately.
1	from birth to 12 years	from birth to 14 years
1	an increase to Network Funding of 10%, as recently advocated to the Parliamentary Secretary of Early Childhood Education and Child Care, Maxine McKew,	10% per annum for the next three years, together with a weighting formula applied to the equivalent full time (EFT) places delivered by new family day care carers in their first six months of operation, would enable family day care to recruit and retain a better qualified workforce and appropriately resource them. The level of network funding for family day care in FY 08/09 is \$58.5 million dollars.

2	completely	largely
2	family day care can rapidly respond to such crises	has the capacity and flexibility to respond
2	it is a relatively quick process to establish new individual family day care services,	INSERT: compared to the infrastructure required for the establishment of other service types
2	The government's policy tools that assist family day care to meet market demand are Network Funding based on an occupied places formula, and carer start-up grants of \$1,500 (standard) or \$5,000 (rural/remote carers).	INSERT AT END OF SENTENCE: Family Day Care Australia strongly supports the continuation of the carer start-up grants.
2	As a consequence of the Child Care Broadband Review of 2005, the Network Funding formula (previously Operational Subsidy) moved to an actual hours system of payment in arrears. While acknowledging that government funding of this nature is 'a contribution to operating costs', the redistribution nevertheless resulted in an estimated 25% reduction in funding for those family day care schemes which operated services of less than 200 places and provided no weekend and evening care. Despite imposing or increasing levies to carers and families to make up the shortfall, the majority of schemes have been forced to cut back on a range of services, one of which is the intensive support of new carers in their first months of service.	The changes to Network Support Funding in 2006 resulted in schemes losing around 25% of their funding. The funding changes caused many schemes to reduce their number of staff positions or to cut staff hours so that they were operating in line with the revised funding level. The reduced staff levels have impacted on the amount of support that staff are able to provide to existing carers, such as with reduced training opportunities, reduced frequency of support visits, reduced resource provision (some schemes have closed toy and resource libraries) and less relief care available to families and carers. This reduction has meant less staff available to market and promote family day care and has impacted on schemes' ability to recruit, provide orientation, training and support to new carers. Fewer staff has been a barrier to growth and as such the sector's ability to respond to demand and has limited the establishment of new family day care businesses meaning fewer family day care places and less choice for families. The impact of the global financial crisis has also impacted on families across the sector, making it difficult for carers to increase fees to cover the shortfalls in funding.
2	increase to Network Funding of 10% as recommended	10% per annum increase over three years in Network Support Funding would assist services to provide high quality support to carers;

2	3	increase to Network Funding of 10% as recommended	10% per annum over three years as recommended,
2	3	would enable family day care to re-establish itself as an integral sector in the Australian child care environment and thus provide families with real choice.	enable family day care to provide intensive support where required and assist in lifting overall levels of quality. INSERT: The recruitment and training of carers before they start providing care is an intensive process, currently done without any funding provided to schemes. In order to adequately resource coordination units to work closely with prospective carers and provide high quality, intensive training and education prior to the commencement of care, Family Day Care Australia recommends that funding be allocated to support this very important component of workforce development. Family Day Care Australia would be very happy to work with Government to develop an appropriate weighting formula and to have this extended to the recruitment and training period.
2	3	from birth to 12 years	from birth to 14 years
3		supports siblings to stay together	siblings being cared for together
3		The flexible nature of family day care enables the establishment and maintenance of community linkages for families and children, such as pre-school, extra-curricular activities and health services, which might not otherwise be accessible.	INSERT AT END OF SENTENCE: Family day care can enhance social inclusion for the most vulnerable families. Schemes are often managed alongside other family support services or are co-located and provide cross-referrals for families that require additional support. Family day care is in a unique position to help build social capital through the strong and effective linkages between carers, families and other service providers at the local level. Carers can also provide unique services such as 24 hour care for families in crisis. Family day care's child focused model assists in developing resilience at both the individual and community levels.
4		Family Day Care Australia supports a ratio of 1:3 for children under the age of two years	Family Day Care Australia, through extensive sector consultation, supports a ratio of 1:3 for children under the age of two years
4	5	that local government has the role of ensuring parental choice exists in each postcode within their local government	Metropolitan and rural areas have equitable access to high quality

		<p>area. Where a large entity (private or community-based) enters the locale, their presence should be restricted to only one such branded, leased or managed service in that postcode. This would ensure greater capacity for providers to respond to market failures or unexpected demand and build parent confidence in meeting the needs of all families. This approach still allows larger entities to form and to gain from economies of scale and the ability to centrally fund specialist business and professional skills that the broader group can call on.</p>	<p>child care.</p>
5		<p>The government currently supports Productivity Program Places for the child care sector at Diploma and Advanced Diploma only.</p>	<p>Family Day Care Australia also recognises and welcomes the expansion of the Productivity Program Places for existing workers in the child care sector to cover Certificate III courses.</p>
5		<p>That Certificate III in Children's Services be included in the Productivity Places Program for new and existing family day care workers; or</p>	<p>Removed, no longer relevant</p>
5		<p>All carers who have worked a minimum of three years</p>	<p>All existing carers</p>
5	6	<p>Consideration of how child care workers from non-English speaking backgrounds, Aboriginal and Torres Strait Islanders, mature workers and workers in remote and very remote areas can be supported to access appropriate training is critical to the overall workforce professionalisation strategy.</p>	<p>INSERT AT END OF SENTENCE: This includes facilitating a "user-friendly" RPL process.</p>
6		<p>The result was that many family day care services could not effectively contribute to the provision of information which would have enabled more accurate comparison between and within services types.</p>	<p>INSERT AT END OF SENTENCE: Family Day Care Australia understands that the newly introduced CCMS system is addressing many of the issues regarding access to data and moving forward. Family Day Care Australia would invite the Government to consider the inclusion of Family Day Care Australia in the development of future relevant survey instruments.</p>

6	Without accurate data the family day care sector is limited in its capacity to track inclusion support to ascertain where it is working and where it is not, and to ultimately improve outcomes for children with additional needs.	Family Day Care Australia has worked closely with KU, the new administrators of this program, to overcome some of these barriers and has made good progress in addressing these issues.
6	7	For example, staff working in local government attract a higher level of remuneration than those working under the Family Day Care Award.
7	<p>Pola Naddas Policy Manager Family Day Care Australia E: pola.naddas@fdca.com.au</p>	<p>INSERT AT END OF SENTENCE: This is an impediment to further professionalisation of the workforce as qualified staff will not find the sector competitive with other child care providers.</p> <p>Paula Myott National Policy Manager Family Day Care Australia E: paula.myott@fdca.com.au</p>