

**Submission to the  
Parliament of Australia Senate  
Inquiry into the provision of child care**



*Centacare  
Broken Bay*

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# Authorisation

This submission is authorised by Deirdre Cheers, Executive Director, Centacare Broken Bay.

**Deirdre Cheers**

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## **Preamble**

Centacare Broken Bay is the professional social care agency of the Catholic Diocese of Broken Bay. Established in 1987, Centacare Broken Bay provides a wide range of direct services to over 10,000 children, young people, individuals and families in the Northern region of Sydney and the NSW Central Coast, each year.

On behalf of the Diocese of Broken Bay Centacare welcomes the opportunity to provide a submission to the Parliament of Australia Senate *Inquiry into the provision of child care*. We believe that the agency has valuable direct experience and strong expertise to contribute to current discussion of this important policy area, which is a priority for the Australian Government.

## **Centacare Broken Bay Mission, Vision and Values**

### **Our Mission:**

Centacare Catholic Family Services in the Diocese of Broken Bay is mandated by the Diocese "to serve in justice and love", with special regard for those disadvantaged in society.

### **Our Vision:**

Centacare is committed to excellence in its programs and interventions to support those in need at all stages of human life; is intent on building partnerships and networks within the community to respond to those in need; and is an advocate for a just society.

### **Our Values:**

In pursuing its mission, Centacare will model and celebrate: \*Respect for human life and dignity;

\*Leadership at all levels of the organisation, where individuals take responsibility for their performance with integrity and diligence;

\*Service without discrimination;

\*Stewardship of Centacare resources; and

\*Excellence in professional development of staff and volunteers.

# Profile of Centacare Broken Bay

Centacare Broken Bay has pioneered the development of family and child-centred service delivery that is responsive to local community need, via an Integrated Family Centre model of service delivery.

Centacare Broken Bay services are managed and provided via three principal service delivery streams-

## **Children's Services**

### **(incorporating Early Learning, Education and Care)**

- \*Long Day Care (centre based care)
- \*Family Day Care (home based care)
- \*In Home Care (flexible home based care)
- \*Outside School Hours Care (before and after school and vacation care)

Centacare Children's Services provide care for approximately 10,000 children, young people, individuals and families each year.

## **Family Centres**

Five (5) Family Centres throughout the Diocese provide integrated suites of programs and services, reflective of local community need. Programs may include, but are not limited to:

- \*Counselling (for family relationships and individuals)
- \*Family Support, including Supported Playgroups, Home Visiting and Outreach
- \*Temporary Accommodation for families, including Housing Advocacy and Support
- \*Family Dispute Resolution
- \*Supervised Contact for children separated from their parents
- \*Parenting and Family Relationships Education and Skills Training (including gender specific groups)
- \*Domestic Violence Court Support
- \*Indigenous Men's Groups
- \*Disability Support and Respite (Centre and Community Based, and including aged respite and home visiting services)
- \*Direct Financial Support and practical assistance for socially isolated families and individuals

## **Out-of-Home Care**

- \*Foster care
- \*Residential care (for children and young people with high and complex needs)
- \*Supported community placement

Centacare provides 50+ medium to long term out-of-home care placements, each year.

## Recommendations

Centacare Broken Bay commends to the Senate Inquiry the following recommendations:

1. *That State Governments, through accreditation, quality assurance and licensing, continue to ensure that all children in Australia receive high quality child care.*
2. *That where a single provider effectively controls a number of child care outlets (a number to be determined through community and industry consultation) that such providers are subject to a higher level of regulatory review of their financial sustainability than other providers so that the interests of children and families are better protected.*
3. *That the Senate Inquiry support initiatives consistent with the proposed national quality framework to achieve an integrated national approach for the provision of high quality child care.*
4. *The Senate Inquiry may benefit from examining the operations of the UK Office for Standards in Education, Children's Services, and Skills (Ofsted).*

# Response to the Senate Inquiry framework

## **a. the financial, social and industry impact of the ABC Learning collapse on the provision of child care in Australia;**

The original focus of ABC Learning was on the development and management of a particular child care model within its child care centres. This model of child care was co-extensive with its business model in that it was apparently built on sound, evidence-based early learning and care principles. ABC was very successful in attracting parents to enrol their children through a combination of attractive and reassuring advertising, consistent branding, and a uniform model of service delivery that projected a sense of security, quality and trust in service delivery for children.

It is clear (with hindsight) that over the arc of its business life, ABC Learning's business model changed, and its focus became the acquisition of child care centres as an end in itself. Thus, it moved from a position where its "business" was children to a position where its "business" was business.

Whereas, pre-ABC Learning, the traditional distinctions between not-for-profit and for-profit child care providers lay in their fee structures and to some extent the quality of service provision (not-for-profits claiming the higher ground) the aggressive acquisition of child care centres by a single corporate provider introduced a serious distortion in the market.

Child care provision is ideally delivered locally near parents' homes and/or workplaces, or their older children's schools. The monopoly of ABC Learning in many communities necessarily meant many parents having to accept both the service delivery model and the business model of ABC Learning without any understanding that the fate of their ABC Centre and the quality of care of their children was dependent on sophisticated financial market arrangements to fund its expansion.

This "business for the sake of business" rather than the business for the sake of children is at the heart of this submission. Centacare Broken Bay regards the corporatisation of child care and the creeping "commodification" of children – the notion that the priority of meeting children's needs can be viewed as "units" or components of revenue production – as incompatible with the provision of quality community based early childhood learning, education and care.

The provision of high quality child care in the community serves many purposes and provides benefits to a civil society, as follows.

High quality child care:

- provides care for children so that parents can participate in the work force, take part in education and training, or engage in civic or

community activities that contribute to them being better citizens, better partners and better parents.

- enables many people who would otherwise be unable to do so (particularly women) to enter the workforce, as full-time, part-time or casual workers, thereby contributing significantly to economic activity.
- serves a civic function as a vehicle for social inclusion and the practical exercise of social justice – equal opportunity and justice for all are daily realities in child care centres.
- provides a means for children at an early age to learn social and cultural values and to be exposed to and influenced by values different to their own family's and where they learn to socialize and function as part of a group.
- stimulates early learning (including cognitive and language development) for all children, and has a compensatory influence on the developmental delays of children who have experienced disadvantage or abuse/neglect.
- provides an economic return to shareholders of companies owning child care businesses, workers employed in child care centres and owners of child care centre properties.

Child care, then, serves many civic, social, and economic functions. Recent commentary would make it appear that it is the latter function that is of greatest importance, however Centacare Broken Bay contends that it is the interests of children that should be paramount. Ironically, business models of child care that provide just adequate or poor quality child care are more likely to result in poorer outcomes for children and long-term economic costs to society.

The evidence suggests that the predictor of best outcomes for children in child care is the quality of the care (see, for example, NICHD Early Child Care Research Network, 2003, 2004, 2005). It is not clear to what degree children's interests and the quality of care they received at ABC centres have been affected by the overarching business model developed and sustained by the ABC group. CBB's experience of providing high-quality child care, rather than child care that just meets accreditation standards, is that it is at best a break even proposition in business terms – there is no part of "profit" from child care operations that cannot be put back into the business to improve service quality and therefore outcomes for children.

Previous Australian governments do not appear to have considered, during the intensive growth of the ABC Learning empire, the overarching issue of ABC's capacity to carry out its business with the least possible social risk to the interests of children and families. This stands in contrast to the capacity to oversight the interests of shareholders, the interests of competitors and the interests of workers associated with ABC Learning.

Both the Australian Competition and Consumer Commission (ACCC) and the Australian Securities and Investments Commission (ASIC), for example, have investigated ABC Learning over the past few years in the interests of ensuring competition, fair trade and financial probity. Surprisingly, no part of these investigations apparently alerted Government to the fact of the possibility of ABC's financial collapse, nor apparently foreshadowed the consequences for families should such a situation emerge.

Consistency, reliability and stability are key to children forming secure attachments to caregivers, and the ABC collapse will bring significant uncertainty for children and their parents. Some of the many children who have since been removed from ABC centres due to parents' uncertainty about centre closures or those whose 55 centres have closed, will have sustained some impact from the ABC collapse. Those whose 252 'unviable' centres are up for sale, and those whose 720 'viable' centres will be sold will also experience some adverse impact, if only through the uncertainty that will attend the transition to new providers.

***Recommendations:***

1. *That State Governments, through accreditation, quality assurance and licensing, continue to ensure that all children in Australia receive high quality child care.*
2. *That where a single provider effectively controls a number of child care outlets (a number to be determined through community and industry consultation) that such providers are subject to a higher level of regulatory review of their financial sustainability than other providers so that the interests of children and families are better protected.*

**b. alternative options and models for the provision of child care;**

As an agency concerned with the well-being of children and families and operating an Integrated Family Centre model of service delivery, Centacare Broken Bay sees the significant advantages to child care providers (and hence children and families) having close links with community agencies that offer a range of family services including parenting education and support, family support and specialist welfare and health services. Such links are particularly important to disadvantaged families and children.

Each Centacare Family Centre works with families to assess family needs and aspirations and provides the appropriate services required to help families improve their relationships; parents develop their parenting skills; and children reach their developmental milestones. Depending on each family's circumstances, Family Centres work jointly with other local agencies and/or refer families to other agencies where particular specialist services are required to meet individual and family needs.



Centacare Broken Bay Family Centres provide services within a range of Australian government and NSW government funding streams. This intersection of many funding streams provides opportunity for a range of family and parenting services that directly address family well-being, parenting, relationship skills, and early childhood development in a flexible service delivery environment. Centacare Broken Bay's current child care provision sits within this framework and is strengthened by the flexibility inherent in the model as it offers families seamless transitions to other types of services within Centacare Broken Bay as the family's needs change and develop over time.

Each Family Centre is different in its type and level of service provision because each is responsive to the particular local levels of resource availability and community need. Typical services provided at our Family Centres include: family support services, family dispute resolution services, family relationships counselling services, family relationship education and skills training, domestic violence court support, fathers' education and support programs, and a range of direct children's services such as (for example, at our Waitara Family Centre) long day care, before and after school care, occasional care, vacation care, family day care, in-home care, and supported playgroups.

Centacare Broken Bay also provides, as part of its Integrated Family Centre model, specific ageing and disability services, such as respite and flexible respite services, day services, community participation programs, transition to work, recreation and peer-support programs and advocacy, and support to individuals with disabilities and their families. Thus, families with specific needs, or specific challenges, can access the same generalist services as other families in the community, but with the capacity to access the specialised services they need when they need them. It is important to note that each Family Centre is not just a physical location, but forms the nexus of a network of resources for families, parents, and children, that links them to their local communities, services, and support groups.

Our experience and belief is that there is merit in linking child care providers to child and family centres such as Centacare Broken Bay's Integrated Family Centres, particularly if children are from disadvantaged backgrounds and the child care placement can form part of a planned intervention that seeks to address other issues for the child and family. Even where this is not the case, linkages between child care centres and family centres provide avenues for parents to access family and parent support services through a conduit that is familiar and accessible to them in a normalised and mainstream environment.

- c. the role of governments at all levels in:**
- i. funding for community, not-for-profit and independent service providers,**

Centacare Broken Bay welcomes diversity in the provision of child care in Australia. Current funding arrangements however, are based on funding structures that are less flexible and less responsive to community need than they could be. For example, long day care funding structures are based on 10.5 hour days and although it is possible, it is administratively complex to set up alternative fee structures based on, for example, 8 hour days which would allow for better staff planning.

- ii. consistent regulatory frameworks for child care across the country,**

Unlike some European countries, Australia has developed two separately funded early childhood sectors – one a child care sector developed as a by-product of labour market policies and concerned with the care of children, but with a weak child development agenda; the other an early education (or pre-school) sector providing an early learning environment without necessarily having adequate resources or qualified staff to do so (OECD, 2006).

The Australian Government's recent discussion paper on a proposed national quality framework for early childhood education and care (DEEWR, 2008) describes this as a "false distinction between 'education' and 'care'" (p.8) and notes that a greater understanding of the learning strategies of young children, and their capacity to learn from birth and in different settings, will (and should) blur the distinction between these two modes of service delivery. It further notes that given the evidence about the value of early childhood education, traditional child care settings need to refocus on learning and development in order to best meet children's needs.

High quality child care has been shown to have significant positive effects on the development of all children (NICHD Early Child Care Research Network, 2003, 2004, 2005; Votruba-Drzal, Coley, & Chase-Lansdale, 2004). As Barnett (1995) in a review of the long-term effects of early childhood interventions concluded, such interventions can produce "sizable persistent effects on achievement, grade retention, special education, high school graduation and socialization". High quality child care can also mitigate the adverse effects of less than optimal, or abusive environments on children (Sylva, Melhuish, Sammons, Siraj-Blatchford, & Taggart, 2004) and allow children to recover cognitive, academic and behavioural functioning consistent with their developmental milestones.

Centacare Broken Bay supports the view that traditional child care settings need to refocus on learning and development, with the caveat that "early childhood education" should not just be seen as "academic preparation" or learning based on "school readiness" principles. Children's development requires approaches that cross many domains: play; physical health and

development; social and emotional maturity; children's own approaches to learning; cognitive development; and language and communication. Further, child care is not just about care and education, it is also about fun. If we are interested in the well-being of children, they need *fun + care + learning* to make them *happy + safe + well*.

Centacare Broken Bay supports initiatives consistent with the Australian Government's proposed national quality framework to achieve an integrated national approach for the provision of high quality early education and care for children as the basis for achieving consistent regulatory frameworks by the States.

***Recommendations:***

*3. That the Senate Inquiry support initiatives consistent with the proposed national quality framework to achieve an integrated national approach for the provision of high quality child care.*

**iii. licensing requirements to operate child care centres,**

Centacare Broken Bay recommends in Part a. of this submission that where a single provider effectively controls a number of child care outlets (a number to be determined through community consultation) that such providers are subject to a higher level of regulatory review of their financial sustainability than other providers so that the interests of children and families are better protected.

**iv. nationally-consistent training and qualification requirements for child care workers, and**

Centacare Broken Bay supports a nationally-consistent framework for the training and qualification requirements for child care workers.

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

While Centacare Broken Bay sees the value in having reliable, up-to-date data on casual and permanent child care vacancies, to be useful this would require the collection, aggregation and dissemination of local data within very short time frames and with little time lag. Presumably, this would require an internet-based data collection system and investment by service providers in suitable IT and broadband technologies; such investment would be difficult for small community based and regional and remote providers and extensive financial subsidy would be required.

**d. the feasibility for establishing a national authority to oversee the child care industry in Australia; and**

The Senate Inquiry may benefit from examining the operations of the UK Office for Standards in Education, Children's Services, and Skills (*Ofsted*). Since April, 2007, in the UK, when a number of Government social care inspectorates were combined, Ofsted, which reports directly to Parliament, has had the remit to regulate and inspect children's social care services. These include children's homes, residential special schools, residential family centres, boarding schools, further education colleges, local authority and adoption and fostering services, private fostering arrangements, voluntary and independent adoption agencies, adoption support agencies and child care providers.

The inspections are to ensure compliance with National Minimum Standards and the needs of children and young people who use the services. The results of the individual inspections are publicly available from the Ofsted website and provide detailed information as to the agency or service compliance with minimum standards in addition to an overall assessment. While the fact that particular child care providers are accredited is available in Australia via the National Child care Accreditation Council web site, and a Quality Profile Certificate (where issued) providing an overview of the quality of care at the service is available from individual centres, there is no detailed information that is both publicly available and easily accessible to parents and families.

Centacare Broken Bay would welcome a national authority to oversee the child care industry in Australia only if it were to replace current State and Territorial arrangements – the industry does not need another level of bureaucracy and a further set of accountability requirements. Centacare Broken Bay would welcome such an authority if it could offer proper and consistent oversight (based on nationally agreed standards) of the factors that influence quality in child care (including the financial viability and business sustainability of child care providers).

***Recommendations:***

*4. The Senate Inquiry may benefit from examining the operations of the UK Office for Standards in Education, Children's Services, and Skills (Ofsted).*

**e. other related matters.**

Centacare Broken bay has no recommendations on other matters.

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