

# Submission to the Senate Education and Employment Legislation Committee

## Regarding the Family Assistance Legislation Amendment (Building on the Child Care Package) Bill 2019

Dear Senators

Community Early Learning Australia (CELA) welcomes the opportunity to make the following submission in relation to the Family Assistance Legislation Amendment (Building on the Child Care Package) Bill 2019. CELA is the peak body for Australia's early and middle childhood education sector. We believe all children deserve quality early education and care. Our mission is to amplify early learning's value throughout Australia. We represent the interests of just under 2000 members who employ around 20,000 early educators across Australia.

### Support for proposed amendments

We are supportive of several amendments within the legislation. Firstly, the extension of the enrolment period for non-attendance from 8 to 14 weeks will improve access, and reduce administrative complexity, for providers and in particular centres offering school holiday programs and vacation care.

We are likewise supportive of the removal of the 50 per cent limit on the number of children that a provider can self-certify for ACCS (child wellbeing). The removal of this limit will go a small way to supporting access for vulnerable children.

### Need for additional action –possibilities for improvement within the current legislation

A survey of our providers revealed significant difficulty with accessing ACCS, and retaining access to ACCS beyond the six week period. Providers raised concerns including a lack of ability to contact departmental staff by telephone and differential outcomes for siblings in one family when determinations are made. The difficulty of accessing ACCS is at several levels:

- ▶ Providers are finding the systems processes for ACCS difficult particularly where the guardian is not a parent or grandparent
- ▶ The requirement to refer to support services slows down the process for access, as providers need to build a trusted relationship to understand the needs of the family and gain support for a referral.
- ▶ The backpay process – whereby backpay goes to families leaving services out of pocket

One option could be to extend the period of time a provider can issue a certificate to 13 weeks, to enable a longer time to work with families, including to refer to services, before needing to seek a determination.

The issue of backpay broadly is a significant concern for providers. The system of backpay going to families creates stress on services and on families themselves as our member highlights:

“In our service, great stress has been placed on a particular disadvantaged family using our service - extended wait times to have eligibility assessed, despite the family and child being known to Child Protection, back payment of fee reduction amounts made to the family, creating great financial stress with the obligation to repay the Centre - setting the family up to fail, and to create conflict in an otherwise supportive relationship with the service. This has also meant that the child's access to the program has been reduced due to the parent's response to the debt. This is in direct opposition to the experience of state funding received to support an indigenous family to access the service”

This needs to be urgently remedied to support sector viability. As a first principle, backpay should be directed to reducing any child care fees owing prior to being paid to families as reimbursement. This would reduce the administrative burden for centre owners in needing to recoup funds and support the maintenance of strong relationships between centres and families.

### Ongoing concerns

We remain concerned that many vulnerable children are missing out on early childhood education. This is of prime concern for vulnerable children whose parents are not working and do not meet the activity test. These children may not meet the criteria for ACCS but would benefit most from access to regular quality early childhood education. It seems illogical that we need to wait until these children are at serious risk to support them to attend more than a day a week of early learning. Many service providers have reported vulnerable families reducing hours or withdrawing from early learning as a result of the changes.

CELA urges the Senate to consider the administrative burden involved in registering for Child Care Subsidy, and to note that much of this burden is falling to service providers. CELA members have expressed concern that the online nature of applying for the subsidy, and limited support from Centrelink for parents who are not computer literate, has dramatically increased their workload:

“The main downfall is the increased paperwork involved with the new process. 40% of our families have needed our "one on one" support in accessing MyGov and authorising enrolments. Our emails (families contact us via email for support) increased by 300% which in turn created a huge financial cost; and when we did not have our bookkeeper available, this created unhappy families (which had a negative impact on our business).”

## In conclusion

CELA would welcome further consideration of legislative changes that would improve access to childcare for vulnerable families, and reduce the excessive burden on service providers. Extending the ACCS to up to 13 weeks would be a positive starting point combined with addressing the payment of backpay could make an immediate, positive impact on children, families and service providers.

We would welcome additional consideration of how Centrelink and the department can provide effective support for parents to access payments, and consideration of broadening the activity test as a matter of urgency.

We would welcome the chance to discuss our submission with you, and look forward to engaging with the Department of Education to address these issues.

Yours sincerely

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