

Additional Comments

from Senator Hanson-Young

Introduction

The collapse of corporate giant, ABC Learning, has presented us with the opportunity to reform child care in Australia, to ensure that no profit-driven company will ever have the opportunity again to control 25 percent of the market share in Australia.

Early childhood education and care (ECEC) must be seen as part of the lifelong learning that starts at birth. It is something that we as parents trust to give our kids the best quality of care so that we can go out to work and pay our mortgages. It should not be viewed or treated as a profit-driven industry open to manipulation by corporations and the stock market; rather it should be seen and supported as the essential service it is.

The Australian Greens have been fighting to ensure that the three core principles of quality, affordability and accessibility, underpin the basis of ECEC in this country, where the education of Australia's youngest children is at the forefront of any reform.

Quality

Ratios, staff training and wages

Australian parents and their children deserve better. We need to see more qualified staff, more support for child care workers, better staff-to-child ratios (a minimum of 1:3) and increased overall funding for this vital service industry.

We need to strive for high-quality educational care for young children through highly qualified staff and good staff ratios.

At present, the conditions many childcare workers are expected to work in are considerably poor. Workers are often paid unfairly, unacceptably low wages, and this must change.

Lifting workers' wages and helping them gain qualifications will lift the quality of Australian childcare.

We also need to find out how we can be effectively encouraging employers to work collectively with their employees to work out smart, efficient ways of providing childcare through the workplace.

We place a high value on primary and secondary education in this country because we think it is important for children of that age – and we should be investing the same value on early childhood education and care.

Recommendation No.1

The Greens recommend that the Government establish nationally consistent ECEC standards that are linked to the quality cost drivers of more highly qualified staff; lower carer-to-child ratios of at least 1:3 for children up to 2 years old and 1:4 for children older than 2 years old, and smaller groups.

Recommendation No.2

The Greens further recommend that national standards should be developed on minimum entry qualifications for staff, and the wages and conditions offered, to recognise that ECEC should be viewed for what it is, an essential service that provides education to our youngest Australians.

Commonwealth Commissioner for Children and Young People

From childcare workers and employers, to academics and parents, we need the key players in the industry to come forward and tell the Government how we can strengthen and secure the childcare sector in this country, to ensure that Australia swiftly moves from third last in the developed world for childcare and early learning.¹

The fact that UNICEF ranked our childcare standards the third worst in the developed world, has showcased to the international community the dire state of ECEC in this country.

It is appalling to think that in the twenty-first century, we only managed to pass two out of the ten UNICEF benchmarks, failing on key issues such as paid parental leave, a national childcare plan, and child poverty, all of which highlight need for urgent reform.

Recommendation No.3

The Greens recommend that a Commonwealth Commissioner for Children and Young People be established, to ensure Australia's international and domestic obligations are met and upheld. These fundamental human rights principles provide a clear framework of minimum standards to ensure the wellbeing of children.

Aside from broader protection obligations, this role would promote investment in early childhood development as a priority, and outline requirements for quality early childhood education and care.

1 UNICEF, 'The Child Care Transition – A league table of early childhood education and care in economically advanced countries', *Innocenti Report Card 8*, 2008, p. 27.

Affordability

CCB and CCTR

Childcare funding comes from the Federal Government through the Child Care Rebate and Benefit, yet the Government has little to do with the planning and oversight of responsibilities for childcare.

The current funding mechanisms do not facilitate a link between quality standards and the funding received.

The Government should be taking charge and delivering the necessary policy outcomes for good quality, accessible and affordable childcare that puts the care of children and the needs of parents and workers above lining the pockets of shareholders.

Evidence suggests that the daily fees of long day care have increased with the introduction and expansion of the Rebate. This has not proven to be a cost effective model for parents, nor has it increased the quality of care.

A change from the current funding mechanism to one which would fund the service directly, would give the Federal Government more “bang for their buck”. Given we commit funding to schools and universities in this way, childcare deserves the same level of attention and commitment, given the role it plays in the education of our youngest children.

During the course of the inquiry, the committee heard evidence from various organisations calling for the matter of childcare funding to be referred to the Productivity Commission, to determine the most effective way of funding the essential service of early childhood education and care.

The National Foundation for Australian Women reinforced this view, arguing that 'there is a paucity of information around to really calculate what some of the other alternatives should be, and this is one of the reasons why we are very strongly supporting the proposition that a reference to the Productivity Commission to do a great deal of the economic number crunching could be a very useful input to the debate about what future policy should be.'

It is clear that referring the matter of ECEC funding to the Productivity Commission would help us determine the most effective way of funding the essential service of early childhood education and care.

Recommendation No.4

The Greens recommend the Government review the current funding mechanisms for early childhood education, including the appropriateness of the Child Care Rebate and Child Care Benefit.

Recommendation No.5

The Greens recommend that that the Commonwealth ask the Productivity Commission to look into funding models and their impact on the determinants of the quality of care.

Quality benchmarks and affordability for parents must be linked to the Government funding received.

Recommendation No.6

In order to implement quality benchmarks, including affordability for parents, the Greens recommend a significant increase in, and long-term investment of, funding into early childhood education and care.

Corporate profit driven companies

The fact that the corporate for-profit giant ABC Learning received 44 per cent of its revenue from public funds, while other providers struggle to cover costs let alone compete is a clear sign that the not-for-profit ECEC sector needed more government support.

We have seen a profit-driven company irresponsibly allowed to hold 25% of the long day care places across the country collapse, leaving with it uncertainty, frustration and turmoil, for parents, employees and the sector alike.

Where providers are receiving large amounts of public funding, there is a need to set up arrangements where there are public reporting requirements so we can see what is going on. Public funds must be linked to quality.

Recommendation No.7

The Government must ensure that no public funds are directed to corporate companies that are floated on the stock exchange, wishing to operate early childhood education centres.

Capital grants funds

It is unacceptable that some of our children are being cared for at substandard sites, with unsafe practices and a level of care that falls well short of what is needed.

A capital grants fund would assist the sector in making a transition away from a profit-driven industry to a community-based not-for-profit model.

History shows us that, when there was the provision of capital grants, community and local government bodies were able to open and effectively operate childcare centres. The capital grant would essentially be used to build and maintain the centre, and provide a certain amount of equipment that would require the operators to run it on a cost-effective basis. It was possible to do this and maintain a good standard.

According to the Australia Community Children's Service, 'Governments, in collaboration with the non-government sector, create specific capital and operational funding programs available to non-profit providers to build and deliver good quality children's services designed to contribute to the developmental needs of children in that community.'

Recommendation No.8

The Australian Greens recommend that a Capital Grants Fund be made available to community groups and not-for profit providers to assist with costs of maintaining the capital of centres and facilities.

Accessibility

Childcare places and location

It is clear, following on from the collapse of ABC Learning, that ECEC provision in Australia is ready to be shifted away from a market driven approach towards more supply-side funding.

We have seen a profit-driven company irresponsibly allowed to hold 25% of the long day care places across the country collapse, leaving with it uncertainty, frustration and turmoil, for parents, employees and the sector alike.

The Greens are concerned that currently there are no existing planning provisions exist in relation to the location of early childhood education and care services and the link to demand. At the moment, a childcare operator can open a centre in any geographical location without regard to the presence of existing services.

Recommendation No.9

That a national planning system be developed to ensure childcare places are available where needed and are equitably available to all children, and in consultation with local communities.

Conclusion

From community leaders and academics to parents and experts in the sector, this inquiry process has confirmed that a well resourced, accessible, affordable, quality early childhood education and care system which is driven by excellence and community needs provides the best educational outcomes for our youngest Australians.

Lifelong learning starts at birth. It is time for the Government to stop playing the blame game, and start taking responsibility for a sector in need. We need action and we need a new way of thinking about early childhood education and care - our children deserve our support.

Senator Sarah Hanson-Young

Australian Greens