



Australian Childcare Alliance
Representing the future of Australian childcare

Education and Care Service National Regulations Submission 2011

Acronyms and Definitions

ACA – Australian Childcare Alliance

ECT – Early Childhood Teacher

FDC – Family Day Care

LDC – Long-day care

Children and families – an investment in Australia's future

The Australian Childcare Alliance (ACA) compliments the Australian Government on its commitment to the provision of strong support and financial assistance to families of children in their Early Years. Research has proven that support for this important cohort of young Australians will reap enormous rewards - economic, familial and social for our country - now and long into the future.

This significant benefit is realised through sustained participation of women in the workforce and in producing confident, nurtured, educated and happy children able to participate in high quality care and early learning programs. If realised, the Government's initiative to provide all four year old children with 15 hours each week of preschool program, delivered by an Early Childhood Teacher, will prove to be of further value to our children and their families. We know these children are happier and are better equipped to handle the demands of formal education than their peers who have had no access to quality early learning programs as toddlers and pre-schoolers. This advantage follows them into their teens and beyond.

High quality early learning services underpin the workforce. The Australian Childcare Alliance supports the Governments' motives to continue to encourage the sector to provide superior care and early learning reforms. The deepening and ongoing concern of childcare providers across Australia remains for the families and their ability to maintain workforce participation whilst meeting increased costs that will be incurred as a result of the changes.

We have a number of key concerns with regards to the regulations and the COAG legislation. These include (but are not limited to):

- We know working families will not be able to meet the rising cost of childcare that these reforms will absolutely incur. We fear these families, already struggling with the rising cost of living, will be unable to absorb the \$3000 to near on \$6000 annual increases these reforms will impose per child. This does not begin to take into consideration any attempt to means test the parental benefit, the Child Care Rebate.
We fear these regulatory changes will significantly and negatively impact upon Australian society as working mothers flee the childcare sector and quit the workforce. Surveys are currently indicating in areas across Australia that families are unable to gain employment or remain in employment and their children have been withdrawn from early learning programs and these regulations will further exacerbate this problem.
- Children of Non work related families must also be considered as vital members of our society and an important consideration when assessing the result of further costs being introduced.
- We know from our own research that one in two parents will consider this if the Government does not offer compensation and if policy safeguards are not put in place immediately;
- We believe that the overall time to respond to the National Regulations was inadequate given the length and complexity of the document and the dramatic impact the Regulations will have on the way the sector operates; and
- We are concerned about the perceived inconsistencies and contradictions a person without legal knowledge can read within the National Regulations themselves and again when read in concert with the Education and Care Service National Law.

Notwithstanding this, we are committed to working with the Government to ensure the policies to improve the quality of care and the qualifications of the staff caring for them is achieved without undue and unintended consequences for the very children the Government hopes to help.

Whilst we request the option of providing subsequent addendums to this document if more inconsistencies and concerns come to light, we commit this submission for your consideration and we look forward to working with you on producing an optimal outcome for parents, children and taxpayers.

Regards

Gwynn Bridge,
President, Australian Childcare Alliance



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Executive Summary

Australian Childcare Alliance (ACA) represents 70% of the long day childcare sector (private and community) and our staff care for more than 400,000 children. ACA appreciates that the Government is under unprecedented budgetary pressures however, the crisis also seeks to highlight the financial pressure many of these families are under.

Working families are already struggling under the increasing cost of living. Those in Queensland cannot afford any more cost increases. They are already struggling with an economy and communities decimated by natural disasters. Families in NSW and Victoria are already facing a double whammy in cost increases due to the (current and former) respective Labor State Governments insisting on their own reforms ahead of the COAG's changes. Western Australia and ACT face unprecedented staffing and skill shortages and South Australia will struggle to cope with such a dramatic change in staff-child ratio that could see many small and regional centres simply forced to close their doors on families.

Families in NSW (with Sydney being the third most expensive city in the world in which to live) are particularly disadvantaged by the onerous State regulations. Western Sydney consists of many young families who are already facing extreme financial hardship which in turn causes family breakdown. NSW has in excess of 700 long day care centres under 30 licensed places that do not have the economy of scale needed to remain viable under this new regime.

Our families cannot bear any further cost pressures such as those about to be imposed on them by the National Childcare Regulation reforms which, in many cases come on top of rushed-through state-imposed reforms to staff-child ratios.

^[1]79.3% of parents of children attending long day child care centres say if these anticipated fee increases are realised they could not afford to have their child or children continue at their centre.

Women's participation rates in this country are 'extremely low'^[2] by Organisation for Economic Co-operation and Development standards and are at their lowest among women aged between 25 and 44, the prime childbearing years.

We know that if these reforms are implemented that the labour supply of married mothers will decrease. The April 2010 Treasury Department's Working Paper states that "in contrast with previous Australian estimates, the cost of childcare does have a statistically significant and negative effect on the labour supply of married mothers. This finding supports policy that reduces the costs of childcare to encourage maternal labour supply." On average, a gross price increase of 1% would be expected to reduce the hours worked by married mothers with young children to decrease by 0.7% and the employment rate of these mothers would decline by 0.3%.

^[1] National CAA Survey (n=1000) of parents of children attending private long day care centres - 8 out of 10 say they cannot afford any increases (est. \$13-\$22 per child per day) from reforms.

^[2] "Those frontbench women have given mothers the drop-off" Former Sex Discrimination Commissioner Anne Summers. Sydney Morning Herald *May 22, 2010*

We know these cost pressures could force tens of thousands of children out of quality early learning programs altogether. In short, if the Government cannot afford to compensate parents for its own reforms, then it must not proceed until it can.

There is so much confusion and incomprehensibility about large slabs of the regulations that we are deeply fearful for small business operators to properly abide by them.

In short, if the Government cannot afford to fund its own reforms, it should not expect families to fund them thus not introduce them until it can. If it cannot properly explain and ensure that its regulations will lead to better care for children (not worse by locking them out through unaffordability) then it shouldn't impose them.

We are asking the Government to delay the imposition of the reforms and apply more time to resolve the deeply divisive, costly and inconsistent demands of these regulations and ensure that the government's own reforms are properly costed and able to be realised without hurting families or forcing the closure of high quality centres. Centres that provide a community service in regional Australia and in low socioeconomic areas are most vulnerable to being inadvertently out of business by these regulations. For instance, an inappropriately displayed paperwork may cost a centre \$15000.

It is evident that real and proper consultation with the industry is needed and has not yet occurred. We recommend our industry joins government and parental representatives on a panel to work through how its reforms can be implemented without incurring irreparable harm to our children, to their families, to our staff, to the centres and to the economy of our nation.

We have also worked as an industry to try and help the government deliver on its own promise of having tertiary qualified teachers (3000 across Australia) appointed to long day child care centres. We have made a pre-budget submission on the support we need to train our existing carers to the levels required by these regulations. These policy considerations are aimed at supporting Government policy whilst minimizing the financial penalty on parents. We recommend this policy to you (see [Appendix A: Bonded Childcare Placement \(BCP\) Policy Model](#))

The Priorities

We appreciate that Government has the same core objective that the ACA does which is to ensure continued quality child care for all Australian children and their families. In our review of the regulations we have highlighted those in which we have concerns about meeting this mutual obligation.

Our critical policy concerns are:

1. the proper funding of trained carers and places for special needs children;
2. the burdensome additional cost impost ranging from \$3380¹ to \$5720 per family per year per child that the reforms will impose on working families; and
3. the deepening skills and staff retention crisis, exacerbated by the Federal government's own well intentioned policy commitment to give all four year olds universal access to a tertiary qualified teacher.

The ACA seeks, in the public interest of working families, that these National Childcare Regulations and the National Quality Reforms (as legislation) be delayed to give an opportunity for further public representation of the regulations and to discuss their direct impact on the hip pocket of Australian families. Compensation for these families must be outlined or committed to by the Government BEFORE these reforms are introduced. If the Government can't afford such compensation, then it must delay these reforms until such a time as it can. It must not impose further costs on families.

We ask that the Government considers the impact on our children. We ask that the Government sends Australian families the message that the Government cares for the plight of working families and those who are disadvantaged, by ensuring already good-quality long day child care is not made so unaffordable as to price families out altogether.

The ACA looks forward to working with the Government to ensure all children have access to quality and affordable early learning programs regardless of where they live or what their parents earn.

¹ Lower end of the threshold – \$13 per child per day additional costs of the implementation of the reforms * for a child placed 5 days per week * 52 weeks = \$3380. Upper end of the threshold – \$22 per child per day additional costs of the implementation of the reforms *5days per week*52 weeks=\$5720.

Response to the draft on the Education and Care Services proposed National Regulations

Background

The Australian Childcare Alliance (ACA) represents the providers of 70 per cent of Australia's long day childcare places (private and community), whose staff are responsible with the care, education, social and emotional development of more than 400,000 children.

The ACA supports the intent of the Government, via these COAG reforms, to encourage the sector to continue to provide superior care and early learning for all children. We are committed to working with the Government to ensure policies to improve the quality of care and the qualifications of the staff caring for them can be achieved. However, we remain concerned that the proposed National Regulations will have unintended consequences for the very children and parents the Government is trying to help and, at the same time, will place a significant administrative and financial burden on the childcare services and their staff. Importantly, we worry for the financial impact on the families and the consequences any increase in costs may have on them, their children and the economy if parents are forced to withdraw their children, quit their jobs or put their children in the care of unregulated backyard operators.

The ACA is also concerned with the lack of time allocated to consultation on the Regulations. The draft Regulations were only released on 7 March 2011 – just five weeks before the consultation period ends. Given the Regulations are 269 pages long – and will dramatically change the way the sector operates – the ACA considers this to be an unreasonable period of time for the sector to adequately consider the detail included in the document. Education and Care Services National Law Act 2010 is another 265 pages and only now do we realise that both documents must be cross referenced and there appear to be significant inconsistencies between the two.

This paper summarises some of the ACA's main concerns with respect to the impact of the National Regulations.

Increased parent costs and loss of affordability

As outlined above, the ACA supports the Government’s intent of continuous improvement to the standard of childcare services in Australia. However, we believe that the proposed Regulations will be so administratively and financial burdensome that costs of the reforms will ultimately outweigh the benefits. The problem is not cost and price rises *as such*. The problem is that ‘unprotected’ reforms will not keep quality improvements in balance with parent affordability and accessibility.

The Access Economics analysis on the National Quality Standard noted “only the benefits of enhanced regulatory arrangements can be quantified with some certainty, whereas the impacts [costs] of a quality rating system are more difficult to ascertain.” Furthermore, the analysis only focused on the impact at the macro/jurisdictional level and did not consider the impact at the centre-level, which will be significantly higher.

Access Economics summarised the costs and benefits of the proposed reforms in the following table. This highlights very clearly that the childcare sector will face significant administrative and financial costs increases as a result of the reforms.

Table 1: Potential Impacts of the Proposed National Quality Agenda for ECEC²

Issue	Benefits	Costs
National Quality Standard	<ul style="list-style-type: none"> • Benefits resulting from children receiving incrementally higher quality care 	<ul style="list-style-type: none"> • Additional staff required to meet new staff to child ratios • Higher staff wages resulting from qualified staff requirements • Costs of increasing the qualified ECEC workforce
Enhanced regulatory arrangements	<ul style="list-style-type: none"> • More efficient administration of industry regulation • Reduced regulatory burden on industry 	<ul style="list-style-type: none"> • Costs of transitioning to the new framework • Costs of sharing information where the regulatory effort was previously duplicated
Quality rating system	<ul style="list-style-type: none"> • Better informed decision making by parents • Potential augmentation of quality improvements over time 	<ul style="list-style-type: none"> • Administration costs: collection and collation of data and the dissemination of service rating information

Whilst acknowledging that it was difficult to quantify the costs to the sector, and only assessing them from the macro perspective, the Access Economics analysis found that:

“By 2020, it is estimated that the average cost per child per day in LDC has increased by between \$4.02 and \$7.86 in real terms over and above the baseline (Scenario 1).”

² Access Economics, 2009, *An economic analysis of the proposed ECEC National Quality Agenda*

The economic characteristics of the ECEC market suggest that the cost increases described above will likely be passed on to consumers through higher prices. Ultimately the impacts will be borne by the purchasers of ECEC; namely parents and the government. For eligible FDC and LDC services this relates to outlays through the Child Care Benefit and Child Care Tax Rebate. While final estimates remain to be determined, it is estimated that around 47% of costs will be borne by the Commonwealth.” [Emphasis added]

This is supported by the ACA’s own analysis which shows there will be substantial increases in the cost of formal long day child care as a result of the States/Territories moving towards the National Standards and also the changes to their own-state based standards.

On behalf of ACA, Urban Economics undertook a cost-benefit analysis of the reforms, focusing on Queensland. Urban Economics focused on the change in costs (at the centre-level) due to increasing the staff-to-child ratios, as this is likely to be the dominant factor in increasing childcare fees in Queensland, with costs associated with staff qualification increases to be the lower factor.

Urban Economics considered that the actual increase in costs would be steeper than projected in the Access Economics report and that the full costs would be higher than projected. They also believe that parents would be more sensitive to these changes in costs than found by Access Economics.

The Urban Economics report³ found that even the least burdensome option under the reforms would result in an additional cost imposed of \$13 per child per day, which is considered significant for families. The upper end will see up to \$22 a day per child cost increase. The additional cost for families, assuming centres can balance a reduction in places with an increase in staff, range between \$210 million and \$390 million.

The ACA is concerned that the Government is relying on incomplete modeling by Access Economics which assumes that the cost, quality and availability of child care has little impact on a mother’s decision to return to the workforce.

This is inconsistent with the experience of ACA members and is also contrary (and out of date) to the findings of a 2010 Treasury Working Paper⁴ which found that the higher the cost of long day childcare the less time a mother would spend in the workforce and **that cost of child care is the dominant consideration for a family when weighing up whether the mother should return to work at all.**

The Treasury Working Paper supports the ACA’s position that the Government must introduce measures to ensure quality long day childcare remains affordable for all families and not to place undue cost pressures on centres and, more importantly, families through clumsy implementation of the National Regulations. The solution is to implement the changes at the same time as implementing appropriately designed parent affordability protection and protection against loss of places, especially for under threes.

³ Urban Economics, August 2009, *Economic Impact Analysis*

⁴ Treasury Working Paper, April 2010, *Child Care Availability, Quality and Affordability: Are Local Problems Related to Maternal Labour Supply?*

We would also encourage the Government to consider a subsequent Treasury Working Paper⁵ that looked further at the responsiveness of Australian women's labour supply to childcare and found "...on average, if the gross child care price increases by 1 per cent:

- the employment rate of married mothers with young children would be expected to decrease by 0.3 per cent; and
- the hours worked by married mothers with young children would be expected to decrease by 0.7 per cent."

Not to be forgotten nor minimised for their value to the community, are the non-work related parents and their children. Already many of these children are unable to attend an early learning and care program because the costs are out of their reach. With the increased costs estimated on the implementation of these regulations, these children will never be given the opportunity to socialize and learn as the children of those who can manage to pay the costs for their children to attend an early learning and care program do. A parent or parents may not work for a variety of reasons which may include caring for elderly parents, inability to enter the workforce due to low levels of literacy, lack of confidence, dysfunctional family life, addictions etc. Their children must not be penalised to, in some cases, become victims and subjected to having serious difficulty in entering the formal school years.

⁵ Treasury Working Paper, April 2010, *How responsive is female labour supply to childcare costs – new Australian estimates*

Staff Shortages

The current and complete disconnect between the Regulations and the absence of adequate staff numbers must be addressed.

The Department of Employment, Education and Workplace Relations skills shortage survey shows only 54 per cent of childcare worker job vacancies were filled in 2010 – a problem that is most keenly felt in rural and remote areas.

It is the ACA's view that the regulatory changes can only be successfully implemented when appropriate parent affordability and supply protection is in place and when the increased staff are actually available.

The proposal for all services to employ at least one early childhood teacher is simply not feasible with only 10 per cent of staff in the sector currently having an early childhood teaching qualification. The ACA estimates that at least 3,000 additional early childhood teachers will be needed to meet the new rules and therefore both the nature and timing of this element of the Regulations must be urgently reviewed.

One option ACA is keen to explore is the idea of using a 'bonded HECS' arrangement. Essentially, we envisage that a student would be assisted with a HECS type arrangement, but with the additional element that the student would be bonded to remain in the child care sector for a specified period.

We believe that the Bonded Childcare Placement (BCP) scheme could be similar in many instances to the Medical Bonded Scheme and/or the Australian Defence Force Academy (ADFA) University Model. (See appendix A for the Bonded Childcare Placement (BCP) scheme Model).

In addition to having an early childhood teacher, from January 2014 every childcare worker employed in the sector will have to have at least a Certificate III qualification. Current figures show that more than 30 per cent of the current workforce has no qualifications, with **the NSW Government estimating that at least 5,800 staff in NSW alone will need to undergo training to meet the requirements of the Regulations.**

Educator-to-child ratios

The ACA believes the application of educator-to-child ratios and qualifications at all times, including tea and lunch breaks, is unworkable. Services already struggle to recruit staff – let alone qualified staff – and this problem would be significantly enhanced if educator ratios were to apply at all times.

We note that para 389 of the National Information Paper states:

“Consideration is still being given to the issue of educator-to-child ratios during staff rest and meal breaks. One approach being explored is to require educator-to-child ratios to be met at all times, including during staff breaks – with a Regulatory Authority having discretion not to take enforcement action during such periods. This approach currently operates in a number of jurisdictions. An alternative approach which is used in some

other jurisdictions would be to set out particular requirements for dealing with such breaks.”

The ACA requests an alternative approach be developed and agreed and specified for rest and meal breaks. ACA would support maintaining regulations but not qualifications. We cannot accept that it is up to the Regulatory Authority to have “discretion” as to whether or not they turned a “blind eye” to unmet regulations. If an incident were to occur during these periods, ACA believes that it would be an opportunity for that Regulatory Authority to take legal action against the Approved Provider and the Nominated Supervisor and cause our Insurance support to be jeopardized. This suggestion in the National Information Paper is unacceptable and improper.

ACA supports the decision to permit Queensland to remain on their current “lunch relief” program until 1/1/2019. It would be impossible in most areas of Australia for educators with the required qualifications to be available to relieve during this period.

Loss of licensed childcare places

Loss of licensed capacity due the changes in educator to child ratios will have a huge impact on the provision of services. **The ACA estimates there will be an average of six (6) places lost in each of the 1,400 long day care in Queensland – a loss of 8,400 places in total.** These places will be lost in all areas of the state so the building of additional centres will not address the demand but will in fact exacerbate the already disproportionate provision of places across Queensland due to lack of planning.

Services in Queensland will lose two baby places after 2017 as they are able to separate babies aged 0 – 2 into two groups: 0–15 months (currently 1:4 – no change) and 15 months-2 years (currently 1:5 going to 1:4). This will result in a loss of two places for a group of eight children instead of 10.

State Governments have assessed that the loss of licensed places would be minimised if services used “mixed age grouping” throughout the service. This process would be lowering quality in most instances and placing additional stress on staff to provide a quality program to children of various ages. Mixed age groupings are vital to reduce additional costs to families if implemented in the beginning and end of the day when numbers of children in attendance are low or if the numbers during the day allow.

When the National Standards are introduced, services will need to decide whether they are going to maintain the 20 babies and add an additional staff member. However under the draft Information paper on the National Quality Standards, it stated that if a service wishes to be high quality they cannot have more than three times one group. This means that if the service chooses to maintain a high quality service, they cannot operate a group more than three times the group sized. This means 1: 4 = one group: three times the group = 3 x 4 babies= 12 babies. In order to attain High quality, the service would have made the decision to reduce licensed capacity by 8 babies. This could have a catastrophic effect on the workforce and consequently there will be a similar effect in all of the age groups.

Publication of personal information

Paragraph 543 of the National Information Paper states:

“The National Law also allows the Australian Children’s Education and Care Quality Authority or a Regulatory Authority to publish a range of information, for example:

- *name of each approved provider, each approved service and each certified supervisor;*
- *for a centre-based service – the address of the service;*
- *for a family day care service – the address of its principal office;*
- *the rating of each service;*
- *other information set out in the Regulations (this could include the Service Approval number, contact details etc).”*

The ACA believes it is inappropriate for the name of each certified supervisor being published due to personal privacy reasons. Staff in centres may for example, be under the protection of an apprehended violence order and having their name published and linked to the address of a service could be extremely detrimental.

The ACA believes that publication of the approved service is adequate. It would support the publication of the number of certified supervisors employed by each service, but not their names. We suggest that it be possible for a service to have a password to enter into a section on the website that displays the more detailed information?

Incident, injury, trauma and illness record 98 PCC National Regulations

The reporting in this section is time consuming and important to be provided correctly.

ACA suggests that easily identifiable templates be developed by ACECQA to assist services meet these time consuming and arduous requirements.

Staff qualification and training and level of attendance

ACA is concerned with regards to the qualifications of staff as proposed by the reforms considered in context of the level of attendance required for these staff.

ACA supports the flexibility of the process in which the teacher (ECT) can carry out their duties in these smaller services fewer than 25 places.

ACA suggests that, because there is a variance in hours of operations ranging from 8 hours to 12 hours per day, there be a maximum limit on the time that the service must have access to an ECT be limited to 10 hours per week still assessed on a quarterly basis.

The National Information Paper states that an early childhood teacher (ECT) must be physically present on site for at least six hours per day if there are more than 25 children at the centre. This requirement

will exacerbate the already serious problem facing the sector of recruitment and retention of qualified staff. To meet this requirement at a practical level, the service would be required to have permanent access to at least two ECTs to ensure that all holidays/personal leave days are covered. This will be next to impossible both in terms of the number of ECTs currently available in Australian and also in terms of the additional cost it will add to the service.

To address this concern the ACA requests a modification of this Regulation such that the permanent ECT can be “covered” by a less qualified staff member (e.g. Certificate IV qualification) for the school holiday periods of the year and during absences such as due to illness or family emergencies. ACA supports this regulation with the inclusion of all school holiday periods. Many ECT’s working in the early learning and care sector do so if they can take the school holidays periods off.

ACA is concerned that the set 6 hours per day for the teacher could well be problematic in that it means that the teacher will need to be on the premises from 9.00 a.m. until 4.00 p.m. to allow for a one hour lunch period. This also exacerbates the problem of the proposed “regulation of educator-to-child ratios and qualifications” at all times. We understood that the original intent was to engage a teacher who could do shared work in providing Universal Access in two centres. This spread of hours makes it impossible for this to occur. Many smaller services e.g. fewer than 25 places could have used these teachers for their required spread of hours. We realise that the ECT you are requesting may not necessarily be the Pre School/Kindergarten teacher but with the acknowledged shortage of qualified teachers the cross over ability may be a solution and would assist services in rural and remote areas and particularly the large number of smaller centres across the country.

Definition of 148 (b) National Regs PCC draft

(b) a second early childhood teacher or another suitably qualified leader must be in attendance at the service

ACA requests that the qualification of the “suitably qualified leader” include a three year qualification or a Diploma certified educator with designated experience.

Educators’ Duty of care

ACA believes that Educators should have a legal duty of care for the position they hold in providing a safe, healthy and nurturing environment. ACA finds it objectionable that an Educator can be negligent in their duty of care towards children yet the Approved Provider and Nominated Supervisor will receive the criminal charge.

ACA suggests that if the Educators were to be made legally responsible for their positions, then those who are less diligent and less responsible would improve their practices or leave the sector. For the safety and wellbeing of children, ACA believes that this extension of the duty of care parameters should occur.

ACA requests that the document “Child Protection in the Workplace” Responding to allegations against employees (NSW) be used as a guide to implement a process to ensure that Approved Providers meet their own duty of care which is necessary for the educator to meet their duty of care.

Inadequate Supervision - Burden of responsibility

Until child care educators with a Certificate III (or higher) qualification are required to take their role as a supervisor of children earnestly, children may be placed at risk from inadequate supervision. This is not withstanding the fact we seek to employ the very best, the highest skilled and the most experienced child care educators we can.

The penalties associated with the inadequate supervision of children are an unreasonable burden to place solely on the Approved Provider and Nominated Supervisor. Neither of these people can be expected to monitor up to 20 staff on any given day at all times to ensure teachers and educators are diligently supervising the children in their care.

Just as a Family Day Care Supervisor is required to carry this burden of responsibility, so should any educator with a qualification in a long day care centre. The ACA has discussed this proposal with a number of educators who agree that, as a Nominated Supervisor, they should not be held entirely accountable for the adequate supervision of the children in their care.

The Approved Provider and Nominated Supervisor would be responsible for the provision of policies and procedures, adequate training, correct staffing levels and the provision of a safe workplace, but the day to day responsibility should rest with the educators on site. As with OH & S legislation and certain Child Protection legislation, if all levels of the duty of care have been passed down, the educator would have a level of legal responsibility. Failure on behalf of the Nominated Supervisor and/or the Authorised Provider to record and pass down relevant information, training refreshers etc. would result in either or both of the Nominated Supervisor and Authorised Provider receiving the penalty.

Therefore the ACA recommends that the Educator be added to the Inadequate Supervision offences (Attachment C of the National Information Paper).

Protection of children from harm and hazards

Educators are in the company of the children at all times. If an educator is not deemed to be responsible for protecting the children from harm or hazards this could have disastrous consequences if an educator chose not to take responsibility. Who better than an Educator will be monitoring all areas from harm and hazards at all times?

The ACA requests that the Educator be added to the list of persons responsible for the “protection of children from harm or hazards”.

Offence to fail to display prescribed information National Law 172

An approved provider of an education and care service must ensure that the prescribed information about the following is positioned so that it is clearly visible to anyone from the main entrance to the education and care service premises—

- (a) the provider approval;
- (b) the service approval;
- (c) the nominated supervisor or the prescribed class of persons to which the nominated supervisor belongs;
- (d) the rating of the service;
- (e) any service waivers or temporary waivers held by the service;
- (f) any other prescribed matters.

Penalty: \$3000, in the case of an individual.

\$15,000, in any other case.

ACA accepts that information must be readily available to families. So much information is necessary to be displayed in the foyer of a service and educators are regularly changing information, adding artwork and notices.

ACA questions the rationale for the Failure to display information penalty amount which demands between a \$3,000 and \$15,000 penalty. We understand that this is National Law however we do believe that it must be assessed.

ACA requests that the “failure to display prescribed information” be added to the responsibilities of the Nominated Supervisor.

ACA requests that the penalty for failure to display information be reduced to a far less onerous amount.

Protection from inappropriate activities or treatment 86 PCC draft

86 Protection from inappropriate activities or treatment

- (1) The approved provider of an education and care service must ensure that—
- (a) children being educated and cared for by the service are not required to undertake activities that are inappropriate, having regard to each child's family and cultural values, age and physical and intellectual development; and
 - (b) a child being educated and cared for by the service is not separated from other children for any reason other than illness or an accident.

Penalty: \$2000.

- (2) The nominated supervisor of an education and care service must ensure that—
- (a) children being educated and cared for by the service are not required to undertake activities that are inappropriate, having regard to each child's family and cultural values, age and physical and intellectual development; and
 - (b) a child being educated and cared for by the service is not separated from other children for any reason other than illness or an accident.

Inappropriate actions can transpire through inattention to duty whether an educator or family day carer is responsible for a group or an individual child. It is the duty of care for Approved Providers to diligently instruct, train and monitor educators on appropriate procedures. Educators and or a family day carers must be responsible for adhering to the same duty of care as Approved Providers with regards to professional behavior.

ACA requests that educators and family day carers be added to the list of persons responsible for “inappropriate activities and treatment” as outlined in 86 PCC draft.

Access for parents 88 PCC draft and 110 PCC draft

Children leaving the education and care service premises 110 PCC draft (Penalty \$2,000)

ACA notes that 88 refers to 110. 88 (4) states “as far as practicable” referring to stopping someone from entering the service if the parent has a court order against them. It appears contradictory in 110 see “Note” below which does not include the “as far as practicable” statement. This could create a very unsafe situation if Approved Providers and Nominated Supervisors felt obliged to “act like a hero” and stop a raging parent from collecting a child. Approved Providers have a duty of care under the OH & S laws to ensure staff safety.

Calling the police would be the best action after trying to dissuade the parent on entering the premises.

Note: Regulation 110 also prevents a child being taken from the education and care service premises by a parent who is prohibited by a court order from having contact with the child.

ACA requests that this be reworded and that any insinuation that staff must intercede in a threatening situation be removed.

Note: ACA has today (15/04/11) spoken at length with David de Silva regarding Regulations 88, 110 and 171 in the National Law and ACA thanks David for this valuable discussion. However, understanding that 110 relates to a child leaving the service appears to be vague in the proposed regulation. Linking the Regulations to the National Law is complex and we believe an onerous responsibility for educators and approved providers whose day is primarily taken up with the education and care of children.

ACA requests that there be consideration given to the many thousands of early learning sector approved providers and staff who will be held responsible for the implementation of this document. An educator seeking the answer to a process will immediately consult the Regulations. For them to then search their way through the National Law which does not relate with any specific wording to some of the regulations, will be an intolerable task.

ACA requests that consideration be given to wording the regulations in a more readable and comprehensible manner that will ensure the overarching National Law is easily referenced and that stand alone Regulations be complete in themselves.

ACA suggests that government consults a working party of practitioners (not academics) from each state to ensure that there is no ambiguity or confusion in the final wording regarding implementation.

First aid kits 100 PCC Draft

(2) The nominated supervisor of an education and care service must ensure that the service keeps and maintains an **appropriate** number of **suitably** equipped first aid kits, having regard to the number of children being educated and cared for by the service.

Penalty: \$2000.

ACA recognizes that both “appropriate and “suitably” are open for interpretation by Approved Assessors and we are not comfortable with the opportunity for an Approved Assessor to cause an Approved Provider to incur a fine without any support evidence other than a risk assessment to prove that the regulation is met.

Fencing and security 123 PCC draft

1) The approved provider of an education and care service must ensure that any outdoor space at the education and care service premises is enclosed by a fence or barrier that is of such a height that children who are preschool age or under cannot go through, over or under it.

Penalty: \$2000

Children may be able to scale fences of most heights. ACA requests that the actual height of fences be clarified in 123(1) PCC draft to enable Approved Providers to abide by the law. ACA understands that the intent of the regulations are to be less prescriptive, however ACA believes that the height of a perimeter fence cannot be left to the “common sense” approach. From our research, fence heights vary across states/territories and we would be concerned if under the new National Building Code proposed for release in May 2012, a height was determined that could cause most states and territories to replace fences at considerable cost.

- 2) The approved provider of an education and care service must ensure that the education and care service premises is sufficiently secure—
- (a) to prevent exit by unsupervised children; and
 - (b) to prevent persons without a legitimate reason to be on the premises from gaining easy access to the premises.

ACA seeks clarification with regards to 123(2) PCC draft. Clarification is sought regarding what is deemed “sufficiently secure” within the boundaries of the Regulation. ACA is unsure as to whether there is a suggestion that Approved Providers are required to install keypad, swipe card, iris recognition or some other security device to ensure that people cannot walk into the centre at will with a view to placing their child on enrolment or suppliers delivering goods.

Indoors must be well ventilated, have adequate natural light & be maintained at a safe and reasonable temperature: PPC Draft Regulation draft 118

The Sector agrees that there must be appropriate ventilation indoors as well as adequate natural light. ACA also agrees that centres should be maintained at a safe and reasonable temperature. ACA questions what the Regulations mean by “reasonable” given that there is extreme variability with regards to weather conditions across Australia in any given day.

ACA seeks clarification on this matter for example will there be a guide to air temperatures and humidity that will be acceptable? How will the Approved Assessor determine what is “safe and reasonable?”

Toilets and also maintain rights and dignity of children PCC Draft Regulation 127

ACA support the statement that the rights and dignity of children must be maintained. In some States services have removed the quarter wall divisions between toilets cisterns to provide improved supervision in toilet areas.

ACA would like it clarified that this regulation does not signify that walls have to be re-erected.

Additional issues

ACA has a number of additional issues with regards to the Regulations as specified below.

Approved Provider

If the lessee is away for an extended period of time, has an illness or other family pressures which renders them unable to operate the service; are they able to appoint another suitable person to be the Approved Provider? If so, what are the formal steps that they are required in order to receive this approval.

ACA requests that a provision be made in the Regulations for an Approved Provider to appoint another suitable person (approved through regulatory processes) as Approved Provider in their absence for an unlimited amount of time.

Statutory Authority of Older Children

The draft Regulations state that parents are able to provide signed authority for an older child, regardless of their age, to sign out a younger sibling from the care of a centre. The ACA does not believe this is appropriate or legally prudent under the centre's duty of care. We have been advised that centres policies and procedures may override a parent's written request for an older child to sign out a younger sibling. We understand that individual Service Providers would also impose a risk management procedure for each request.

Notwithstanding this, we understand that this Regulation has been written to allow outside school hours services to permit this activity; nevertheless it unquestionably creates a dilemma with dangerous implications for the early years' sector. Particularly, seeing that not all States/Territories have under their Child Protection Laws, a designated age when a child can be left in charge of themselves. ACA identifies this as a potential area for Approved Providers and Nominated Supervisors to be involved in legal action.

ACA requests that this Regulation be restricted to the Outside School Hours sector.

Waivers

ACA agrees that waivers will be essential for Service Providers to operate under the new legislation. The fact that this will occur predominately in meeting staffing requirements, is testimony to the fact that the sector will be unprepared to implement the legislation. The shortage of qualified human capital will remain critical for many years into the future. ACA expects this scenario will exacerbate the already serious problem facing the sector of recruitment and retention of qualified staff by forcing many existing employees out of the sector through increased workload and expectations.

ACA requests that unless the sector can be assured that there is sufficient experienced staff to satisfy the demand, the implementation date of the requirement to meet the qualified staff and teacher employment Regulation is delayed until this is possible.

ACA objects to the proposed Regulation that any service that is granted a waiver due to their inability to recruit suitably qualified staff to meet legislation is automatically demoted to an “Operational” level of quality assessment. If suitable proof (for example the recruitment process) can be provided by the Approved Provider of their active yet unfruitful attempts to recruit qualified personnel to the mandated level, then ACA requests that the Approved Provider be permitted to retain their higher level of assessment.

ACA believes that it is unacceptable that a service be penalised because of Government’s decision to implement these Regulations prior to ensuring that the mandated workforce is available.

It is totally unacceptable for any government to introduce legislation that cannot be met by the organisation the legislation applies to.

Assessment

There is growing concern in the sector that the National Agenda will be hindered by Authorised Assessors working under each state/territory jurisdiction. Qualification levels for these assessors have not been determined and at the present time it appears that their qualification level will be lower than those required across the sector. The concern ACA has is that unqualified Assessors will be determining whether or not programs (Fine \$20,000) provided meets the standards when she/he may never have delivered a program themselves.

Services need to be assured that if they lodge an appeal after assessment on programming that the experience of the educator/teacher will be taken into consideration. Recently ACA was advised of a Resource Officer who insisted that a poster on room rules for children just two years of age be placed at their face level (for them to “read” – in fact they constantly tear it down). This same resource officer also expected that as it was school holidays, parents should have been in the service volunteering their time. This is Long Day Care where most families are in the workforce. Training of these assessors must be explicit and ongoing to ensure that their own expectations do not override those of the regulations.

Assessment Date

Given the Regulations commencement date is 1/1/2012 should Approved Providers expect assessments to commence the same day, within a week, a month or a year?

ACA believes the National Agenda should be a collaborative approach. In order for this to transpire it necessitates continuous training and development from the sector, as well as a helping hand from Approved Assessors. ACA does not want to see the sector fall short; as such our preference is to see the sector recognised for their resilience and commitment to quality care and early learning.

ACA requests that Government provides realistic timelines for potential assessment dates and centre readiness expectations.

Assessment process imbalance

The assessment process or lack thereof a documented process causes grave concern for the sector. We have been led to believe that the National Quality Standard process will be rigorous and arduous. Services have worked diligently to attain High Quality Service status and ACA is concerned that this enthusiasm will be dampened due to the unnecessary burden placed on Service Providers to meet the new standards which will effectively detract them from interaction with children.

ACA requests that the weighting of the assessment be reconsidered to move services down the ratings scale by steps rather than to the lowest assessment granted. The system proposed in the regulations is a “deficit” model pushing services to the worst rating rather than a model that recognises the major quality result.

Previously the Quality Improvement System was not captured under the legal system. ACA is concerned that we may see services suffer through the process of Assessment, given that Approved Assessors make the final verdict as to whether or not a policy, program or practice is acceptable. Our concern is that this practice will undermine the intent of providing an education and care service for the children by causing centre closures either through “failure” or through exasperation.

Rating terminology

- **Excellent** - ACA is concerned that the only services to receive an *Excellent* rating will be those who are receiving government financial support to be able to provide staff over and above requirements and also provide the community services deemed appropriate. These would be the Government funded and supported Early Learning and Care Services who unlike the private sector are required to pay peppercorn rent and no taxation.
- **High Quality** - will have the same connotation as High Quality under the NCAC system. Services who continually gained High Quality under the NCAC system will appear to parents to have slipped on the rating scale. Services will not be believed when explaining that it is a more “rigorous” system – suggestion **Advanced National Quality**
- **National Quality Standard** – does not, by the name, infer any standard of quality to those who do not know the regulations e.g. families – suggestion **Average National Quality**
- **Operational** - which infers that it is in operation and when linked to the above ratings would be understood. However it also means that it is **Below** Average National Quality (which is not entirely correct for those services that are placed there and are awaiting assessment or if a waiver is in place) - suggestion **Approved National Quality and Approved National Quality Awaiting assessment.**
- **Unsatisfactory** - a service that is at this rating is actually **Below National Quality**

Educator Qualifications

The child care sector speaks candidly about the quality of educators' qualifications, particularly the Certificate 111. Diploma staff completed a TAFE qualification or equivalent, coupled with up to 12 months vocational in house training before Approved Providers deem that they are safe and confident to lead a group of children. These employees can only benefit through enhanced up skilling as a result of the increased expectations required from our qualified educators.

ACA though, has concerns about Early Childhood Teachers whom in most cases are unaware of the legislative requirements of the ECEC sector and find it tremendously challenging to work with children in a care environment. ACA believes that having educational skills alone will in no way make a safe and caring early learning professional. Experienced Diploma staff in most instances, provide a more balanced and supportive role for children in the long day care setting than a University graduate in early childhood.

ACA requests that RTO and other training bodies be thoroughly scrutinised to ensure that their commitment to and outcomes determined for students are in line with best practice and the wellbeing of the students and the sector. ACA requests that the training modules be reviewed, that full time students must be involved in more practical exercises, and that the training organisation be held more responsible for educating staff in a concentrated care and safe learning environment.

ACA requests that funding be allocated to assist current Diploma staff to up skill to the updated ECT qualification.

ACA requests that unqualified staff can be employed and that these staff must make a commitment within a three month probationary period (in line with Modern Award) and enrol in the Certificate 111 course. 141 – General Educators - does state that a general educator “must be working towards” a Certificate 111 but to go through the process of signing up new staff then having them realise after a few weeks/months that early learning and care is not their profession, is an extravagant waste of time and paperwork for at least three organisations. By three months, most newly appointed staff will know if they wish to make this commitment.

Safeguards

ACA questions the safeguards and inbuilt strategies built into the system. The proposed Regulations impose mandatory conditions on a Supervisor Certificate granted to a person in a prescribed class. This would require the person to notify the Regulatory Authority if they are no longer a person in that prescribed class.

ACA seeks clarification regarding this matter - will the Approved Provider (as a Certified Supervisor) be in breach for employing an individual who has not notified the Regulatory Authority and an Approved Provider that they are no longer in a prescribed class?

ACA questions the Approved Assessors adherence to the assessment and ratings instrument – particularly where typical practice must be considered. There have been issues in the past when typical centre practice was not accepted throughout the process and failure followed after just one staff nervously omitted to follow a procedure.

ACA seeks clarification concerning the parameters that will be enforced to ensure the Sector that they can be confident that under the new quality system “typical practice” will be accepted.

Advertising the quality outcomes on My Child website

The lack of information pertaining to the type and level of information ACECQA intends to issue regarding the outcomes of quality assessments on the My Child website is another area of key concern to the sector.

ACA requests that failed elements are not made available as this will unjustifiably terrify families and the community, given that failed elements may not be as alarming as the results may infer. Example – a Certificate that has fallen off the wall; current NCAC information

Support for Services in Implementing Regulations

It is very clear from the draft Regulations that the administrative burden on centres resulting from the reforms will be significant.

The ACA also has serious concerns about the potential cost of compliance arising from the Regulations. The new standards will require burdensome amounts of additional paperwork, for example the risk management process, the recording and reporting requirements and additional Professional Development for all staff to name but a few.

The ACA requests the Government provide assistance – practical and financial – to the sector to ensure the smooth transition of the Regulations. This assistance should include support and resources to all individual services in professional development and in developing policies and procedures to ensure the Sector is ready for 1 January 2012.

Right to Provide Further Feedback

ACA believes that the work to be done on this review is intense and we do not believe that we have covered anywhere near optimum review levels. ACA reserves the right to provide additional feedback if supplementary discrepancies come to light.

Summary

ACA believes it is important for industry to work hand-in-glove with Government to find solutions to the concerns outlined in this submission as the benefits of affordable, accessible, quality long day care to our economy is something we have known for a very long time which Treasury has confirmed in its working paper.

ACA has outlined many concerns in this submission and we look forward to Governments' consideration of them.

We would however, like to highlight a number of key concerns;

- That we were only afforded seven weeks to respond to the Regulations. We feel that given more time and wider community consultation, significantly more outcomes-focused collaborative solutions may have been tendered to Government;
- We believe that Government must ensure that with the implementation of the Regulations that no families are worse off than they are under the current system. Until this commitment can be guaranteed then we believe that the Regulations should be delayed;
- We believe that the Government should recognize the burdensome additional cost impost ranging from \$3000 to near on \$6000 a year per child that the implementation of these Reforms will impose on working Australian families;
- We believe the Government should consider the wide ranging social, cultural and economic impost that the Reforms will have on working families. These families play a vital role in the economy and intelligence of our nation and their children must not be forced into a position of disadvantage. We know, from the Treasury Working papers 2010 that with an already tight human resources supply market that these Reforms will categorically drive working mothers out of employment, adding significant pressure to the Federal budget.
- We believe that it is critical that the Sector and Government find a solution to meeting the future unmet need for trained educators. We believe that Government should consider a proper funding model to develop our Nation's future educators so as to break the deepening skills and staff retention crisis, currently exacerbated by the Government's own policy commitment to give all four year olds universal access to a tertiary qualified teacher.

We would like to restate that we are committed to working constructively with Government, the key sector stakeholders and our families to ensure cost effective and family friendly solutions are found to ensure that our Nation's children do not suffer any unintended consequences due to the implementation of the Regulations.

ACA appreciates the chance to offer our comments and ideas and looks forward to being involved in the next steps.

Appendix A: Bonded Childcare Placement (BCP) Policy Model

Bonded Childcare Placement (BCP) Policy Model

Bonded HECS-HELP for Tertiary Qualified Early Childhood Teachers

Finding and Keeping Qualified Staff for Long Day Child Care

Recruitment and retention of qualified staff in quality long day child care centres across Australia is an essential part of providing high quality care for all children.

The Government needs to assist with the training and education demands it is imposing on the sector via the Coalition of Australian Governments (COAG) reform agenda.

The sector needs the Government to support initiatives that will ensure tertiary trained staff make Long Day Child Care their career choice and, more importantly, work with children in these centres on a long term basis, offering continuity and stability which is so important in early childhood development.

The Australian Childcare Alliance (ACA) has enlisted the skills of Professor Bruce Chapman, Professor of Economics with the Australian National University, to help shape this policy recommendation as part of its detailed review of how best to recruit and retain these newly tertiary qualified staff. Professor Chapman was the architect of the original Higher Education Contribution Scheme (HECS) - now also known as the Higher Education Loan Program (HELP).

Offering bonded Higher Education Loan Program (HELP)/HECs for university graduates to ensure they remain with the childcare sector would be seen as a positive, empowering measure to help counter the critical shortage of Early Childhood Teachers in the long day child care sector.

This exciting and socially progressive policy solution will truly mark the Government as acknowledging the important role qualified child care workers play in the economy as a whole, in the sector that employs them and with the children who are cared by them.

Policy Imperative

From 1 January 2014 all long day care services must employ a full time tertiary qualified Early Childhood teacher. Services licensed to offer 25 places or less will be required to employ a part-time tertiary qualified Early Childhood teacher. The Commonwealth Government has committed \$970 million over five years to provide universal access to 15 hours of Early Childhood Education.

The ACA applauds this initiative and supports the policy of employing tertiary qualified staff to lead the care, education and supervision of your children. However the ACA has grave concerns that the Government's policy may fail in the practical realisation that highly qualified staff cannot be attracted nor retained in the child care sector.

University graduates employed by the sector are generally lured – within a short period of time – to work in the primary school system which can offer higher wages, less hours per week and considerably more annual leave. Already, child care services struggle to attract and retain qualified and experienced staff. To retain a tertiary qualified teacher will see costs escalate –if graduates can actually be engaged in the first place.

Retraining of existing staff will be an imperative if the Government is to realise its own policy initiative. Additional funding for existing staff to return to formal tertiary studies will be essential in order to keep costs down for parents and to allow child care providers to implement the Government’s reform program.

Students who are funded by the Australian Government to attain their Diploma (Level IV) in Children’s Services should also be required to work in the Early Learning and Care Sector and not use this method of study as a means to move into University Study outside of Early Learning. Students should be screened very carefully before they are given the valuable places in TAFE colleges to ensure that they are desirous of working in the field.

A Simple But Effective Idea

If the Government wants to have an influence the supply of quality teachers, and their commitment to the profession of early learning program, there is capacity to do so by modifying arrangements for the payment of the HECS-HELP debt.

This HECS-HELP bonding could be achieved, for example, through a four year program. That is, for each year that a tertiary qualified staff member works in the childcare sector, a year of their *Higher Education Loan Program (HELP)*/HECS debt would be forgiven by the Government.

The ACA estimates that the program would cost the Government \$25 million in forgone revenue over a four year period. This is based on the assumption that all of the 3 000 teachers required to meet the new regulatory environment would, under normal circumstances, pay back their entire HECS debt at a total of \$25 million. Therefore, by forgiving the total HECS debt of these teachers under a bonded HECS program, the Government is forgoing \$25 million over four years.

The actual cost impact of the program is likely to be less than this as it is likely that a large proportion of these teachers would never reach the salary level required to repay their HECS.

The cost of the program is minor when compared to the long terms benefits of such a significant investment in early childhood development. The current market forces surrounding tertiary qualified teachers mean that the childcare sector will simply not be able to attract and retain these teachers without some specific incentive encouraging them to the sector.

This program would provide a significant incentive for tertiary qualified staff to choose to work and stay in long day child care services over primary school. Analysis by Professor Chapman estimates that the forgiving of HECS-HELP debt effectively adds about 4-6 per cent per annum to a graduate’s disposable income (which means in effect about 7-10 per cent to gross earnings).

Conclusion

The private long day child care sector has less flexibility than its community counterpart to attract and remunerate tertiary and suitably qualified staff. This is due to the additional cost pressures of having to pay commercial rents and payroll tax - none of which tend to be an issue for most community long day child care providers.

However, both private and community face the shared problem that Australian families cannot absorb any further increases in fees as a result of reform – whether this is from the Federal Government’s National Quality Agenda or a State Government’s changes to staff-child ratios. For many parents, this means the cost of quality long day child care may finally be put out of reach for them and their children.

A bonded HECS-HELP program for graduates entering the long day child care sector will not resolve these cost pressures on families as services will still have to struggle to pay higher wages to these graduates and in most cases pass some of this cost on in the form of higher fees.

Therefore, such a program will not ease the financial burden on services but it will lead to a higher standard of care in all child care centres and support the Government’s commitment to provide all four year olds universal access to a tertiary-qualified teacher and a pre-school/pre-kindergarten curriculum.

We look forward to further discussion with Professor Chapman and the Government on developing this initiative further.

About Us

The Australian Childcare Alliance (ACA) represents **all** long day care providers across Australia.

- 408,000⁶ Australian children are cared for in long day care centres.
- Private and community childcare centres - established as an industry by the Hawke Government - serve a critical role in our community. This sector benefits our economy and society by:
 - ✓ assisting the functioning of families by allowing them to flexibly and optimally coordinate child care with other family commitments and responsibilities, including work and study;
 - ✓ providing developmentally appropriate services that prepare children’s intellectual, social and physical development, and assist them towards school readiness, form positive relationships and respond positively to change;
 - ✓ providing a safe, protected and monitored harbour for abused or neglected children;
 - ✓ providing non-judgmental support and a sense of community for isolated parents; and
 - ✓ provides direct employment for trained staff (the majority of whom are women)⁷

⁶ (Statistics, July, 2009)

The Australian children's services industry or childcare sector contributes considerably per annum to GDP and to the national economy. Children's Services indirectly contribute to national productivity and the competitiveness of the Australian economy by assisting parents to participate in the paid workforce.

But most importantly, these centres are the heart and soul of our communities. They are trusted by parents and become a resource of information, feedback, education and understanding about the development of our youngest children during their formative years.

Further information:

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Bonded HECS - A History

The policy of using incentives such as bonded rebates and additional funding relief to keep graduates in specific areas, such as regional and rural Australia or in areas where skills shortages are evident, has been adopted successfully in the past. The following represent similar policy initiatives:

- There is a bonded medical placement (BMP) scheme <http://www.health.gov.au/bmpscheme> which requires students to work in a 'district of workforce shortage' for a period of time - essentially the Government is funding an additional place for a student who might otherwise have not quite made it through the selection process but students will still incur a HECS debt.

However BMP students and any other medical students can apply for the medical HECS reimbursement scheme, where the Government will pay up to half of their HECS debt a year for working in a rural or remote location, after they have completed their degree. <http://www.health.gov.au/internet/main/publishing.nsf/content/work-pr-hecs>.

- There is also the Australian Government Medical Rural Bonded Scholarship (MRBS) which sees students earn both a place in a medical school, and \$23,000 a year scholarship while studying, in exchange for six years in a rural or remote area.

⁷ Caring For Australia's Kids In The 21st Century: Enhancing Capacity To Deliver Quality Children's Services Final Report Prepared By June 2001 Tasman Economics