

Childcare Queensland News
Summer 2007/08

Early Edition

**HOLIDAY
GREETINGS**
FROM CHILDCARE
QUEENSLAND

**New Owner's Seminar
a SUCCESS!**

**WHAT THE
ELECTION RESULT
MEANS FOR YOU....**



President's Message

Gwynn Bridge, President

With the 2007 Federal election decided the child care industry now faces some significant challenges and opportunities over the coming years as the change of Government brings with it changes in policy settings affecting our industry as a whole.

In this edition of *Early Edition* we hope to supply you with some useful information on the policy settings proposed by the incoming Rudd Government released over the course of the Federal election campaign.

Prime Minister Rudd has announced his new Ministry, with Deputy Prime Minister, Julia Gillard given responsibility for education. We hope to be

able to update you on Labor's views and policy priorities in future issues of *Early Edition*.

As the end of the year draws near I can certainly say that 2007 has been a very busy year for Childcare Queensland – and already 2008 promises to be just even busier.

Your Management Committee has already started planning ahead for 2008 - looking at those strategies we need to put in place to deal with a range of emerging issues arising in both the State and Federal spheres.



Childcare Queensland Conference 2008 Riding the Waves of Change...Strategies for Success

30 May—1 June 2008 at Crowne Plaza Royal Pines Resort, Gold Coast

Situated on more than 200 hectares of magnificently landscaped gardens, the Crowne Plaza Royal Pines Resort is located in the heart of the Gold Coast, and offers an unparalleled choice of accommodation, golfing, convention, dining and leisure facilities. It is the perfect venue for conference delegates to relax and network with colleagues.

Pictured Below: Facilities at The Crowne Plaxa Royal Pines Resort, Gold Coast.

The 2008 conference program will be built around embracing the changes impacting on the child care industry and focusing on the positives to ensure success. There will be an extensive program for licensees, owners and centre staff, trade exhibition and social calendar, including a charity golf day, planned for your enjoyment.

For further details contact Childcare Queensland on 1300 365 325 or by email to childcareqld@bigpond.com



“the child care industry now faces some significant challenges and opportunities over the coming years”

Gwynn Bridge, Childcare Queensland President

New Owner's Seminars

On 15 – 16 November Childcare Queensland hosted its latest New Owner's Seminar in Springwood, Brisbane.

Over the two days, 35 delegates - made up of new owners, those contemplating the industry and some existing owners who saw it as an opportunity to do a 'refresher' - were provided with the latest information on a range of issues affecting the child care industry here in Queensland.

The Seminar was also a great opportunity for a range of suppliers to bring their products to the attention of participants, with 16 trade displays operating over the course of the event.

Seminar Topics Covered

- Avoiding the Traps when Buying A Centre
- Demographics/Benchmarking
– Knowledge is Power
- Valuing Child Care Centres in Queensland
- Selecting Staff – How to Get It Right
- Introduction of CCMS
- Compliance
- Preparing your Centre for Accreditation
- Financial Management
- Licensing Requirements in Queensland
- Guild - Risk Management
- Centre Responsibilities
- Industrial Relations
- Superannuation and Insurance
- How to Develop an Effective Child Care Centre Marketing Strategy



**KNOW^{THE}
UPS
&
DOWNS
OF CHILDCARE**

Australia's premier childcare brokerage
www.childcaresales.com.au or freecall1800 700 517

Childcare Sales Australia
IDEAS, ADVICE & DIRECTIONS
Selling childcare centres Australia wide

HAPPY HOLIDAYS

Gywnn Bridge and the management committee of Childcare Queensland wish all members and their families a safe and happy holiday season.



Staying with HESTA in Retirement

HESTA is releasing some great new initiatives for members heading into retirement.

On 1 July 2007 significant changes announced to super took effect, including:

- the opportunity to leave your money with HESTA even if you retire (previously you had to take your money out of super if you retired and reached age 65)
- receiving your super tax-free from age 60 when paid from a taxed source, like HESTA.

So, instead of withdrawing your money from your super when you retire and putting it into a bank account (or locking it away in a term deposit), you can continue to enjoy your HESTA membership by:

1. Leaving your money in HESTA Super Fund.

This way you can stay with the fund you know and trust, continue to have access to HESTA's low fees and investment options and access your money when you need it, (subject to conditions).

To take advantage of this offer you don't need to do anything until just before you wish to withdraw some (or all) of your super. Free call 1800 813 327 and HESTA will send you a form to complete and return. HESTA can then set you up for faster access to your super when you need it.

2. Transferring your super to the HESTA Retirement Income Stream (available soon).

This will let you receive a regular income stream from your super with the added bonus of no tax payable on the investment earnings.

3. Boosting your super — or subsidising your income — leading up to your retirement with the HESTA Working Income Stream (WIS).

- You can use the HESTA WIS as a transition to retirement vehicle if you have reached preservation age (age 55 for people born before 1 July 1960).
- You can transfer part or all of your super account balance to the WIS and draw an income stream from it, while at the same time boosting your super balance with extra contributions to your HESTA super account. This may suit you if you want to maximise your super or reduce your working hours while maintaining your income level
- The WIS will pay you a regular non-commutable income stream (subject to maximum payment criteria).
- The HESTA WIS for balances of more than \$10,000 will be available shortly.

To take advantage of the RIS or the WIS when they are released, you will need to obtain a HESTA Income Stream Product Disclosure Statement (PDS) at www.hesta.com.au or free call 1800 813 327.

Controlling Interest Rate Uncertainty - Advice from ANZ

Interest rate rises have pushed the cash rate to its highest level in 10 years. The Reserve Bank of Australia continues to voice its concerns about the medium-term outlook for inflation and its management of interest rates to moderate these concerns. Now is the time to review your exposure and sensitivity to adverse interest rate movements that can increase your cost of borrowing and ultimately impact your profit margins.

As a borrower, issues you may need to consider during times of interest rate uncertainty include:

- the impact of further interest rate increases on your total costs and profitability
- the potential impact of higher interest rates on your client's buying habits
- the potential to pass on increased costs to your clients
- the difference between your budgeted and actual interest costs

At ANZ we make understanding your business our business. When you make ANZ your business banking partner, your dedicated manager will take the time to get to know your needs and aspirations. Together with a financial markets expert they can assist you to identify your financial risks and show you financial and risk management strategies that can help create more certainty in your business.

ANZ Tailored Business Facility™

The ANZ Tailored Business Facility™ lets you choose the best way to manage your business finance requirements, based on the level of funding flexibility and interest rate protection you need. Five different risk management solutions are available to choose from:

1. Variable - Funding flexibility for each roll with exposure to volatility from interest rate movements on cash flows.



Always seek independent financial advice,
specific to your circumstances



Caring for the super of remarkable childcare professionals everywhere

*While you're busy taking
care of others, HESTA is busy
taking care of you.*



A TOP RATED FUND



H.E.S.T. Australia Ltd RSE No. L0000109 HESTA Super Fund Reg. No. R1004489.
Consider our Product Disclosure Statement before making a decision about HESTA
— call 1800 813 327 or visit www.hesta.com.au for a copy.



This information is about HESTA Super Fund Reg. No. R1004489 and has been produced on behalf of H.E.S.T. Australia Limited ACN 006 818 695 AFSL No. 235249 RSE L0000109. It is of a general nature. It does not take into account your objectives, financial situation or specific needs so you should look at your own financial position and requirements before making a decision. You may wish to consult an adviser when doing this. The information also represents HESTA's interpretation of the law in some instances but should not be relied upon as legal advice. Consider our Product Disclosure Statement before making a decision about HESTA - free call 1800 813 327 or visit www.hesta.com.au for a copy.

2. Fixed - Known funding cost. That is, cash flow certainty around funding requirements .
3. Capped - Flexibility of variable but with exposure limited to known maximum rate.
4. Range - Known maximum rate with the potential to benefit from lower variable rates down to the floor rate.
5. Optional Fixed - Known funding cost for future funding needs with no requirement to commit at that time.

Possible Scenario

You are interested in buying an established child care centre (including freehold) and meet with an ANZ manager specialising in the child care industry to discuss your finance requirements. The manager introduces you to a financial markets specialist to inform you of your funding options, explaining the flexibility and alternatives within an ANZ Tailored Business Facility™.

Faced with the prospect of rising interest rates, and in consultation with financial markets specialist, you decide to partly protect your interest rate exposure while retaining some flexibility with 50% variable and 50% fixed within an ANZ Tailored Business Facility™. This facility enables you to be debited with only one interest charge each payment period, providing you with the one statement including the weighted average rate each period.

Take the first step to creating more certainty in your business by calling Heath Bruns ANZ Business Banking State Manager Childcare today on 07 5557 9660.

Australia and New Zealand Banking Group Limited ABN 11 005 357 522 recommends you read the Product Disclosure Statement, which is available by calling 13 13 14 or visiting www.anz.com, before deciding to acquire or hold the product. Please check with your ANZ Representative to check the currency of this information.

The Federal Election Result

What the Federal Election Result Means...

In the lead up to the election, Childcare Queensland reviewed the policies on offer after asking for responses to some key questions. Over the following few pages, we publish the letter we sent to over 70 Queensland federal politicians, the "official" response received from the Australian Labour Party which outlines what the Labor Government promised, and our review of the policies that was emailed to all members prior to the election before any votes were cast.

We have also included a review of the costings of the major political parties' policies that were made available on 23 November 2007.

Childcare Queensland will continue to work on behalf of our members within this new Federal environment.

The New Cabinet and Ministry

Julia Gillard is the new Minister for Education Employment, Workplace Relations and Social Inclusion
Jenny Macklin is the new Minister for Families, Housing, Community Services and Indigenous Affairs.
Maxine McKew is the new Parliamentary Secretary for Early Childhood Education and Childcare.

- **Kevin Rudd MP**, Prime Minister
- **Julia Gillard MP**, Deputy Prime Minister. Education Employment and Workplace Relations, Social Inclusion
- **Wayne Swan MP**, Treasurer
- **Senator Chris Evans**, Leader of the Government in the Senate, Immigration and Citizenship
- **Senator John Faulkner**, Special Minister of State Cabinet Secretary. Vice President of the Executive Council
- **Simon Crean MP**, Trade
- **Stephen Smith MP**, Foreign Affairs
- **Joel Fitzgibbon MP**, Defence
- **Nicola Roxon MP**, Health and Ageing
- **Jenny Macklin MP**, Families, Housing, Community Services and Indigenous Affairs
- **Lindsay Tanner MP**, Finance and Deregulation
- **Anthony Albanese MP**, Infrastructure, Transport and Regional Development, Local Government, Leader of the House
- **Senator Stephen Conroy**, Deputy Leader of the Government in the Senate, Broadband, Communications and the Digital Economy
- **Senator Kim Carr**, Innovation, Industry, Science and Research
- **Senator Penny Wong**, Climate Change and Water
- **Peter Garrett MP**, Environment, Heritage and The Arts
- **Robert McClelland MP**, Attorney General
- **Senator Joe Ludwig**, Human Services, Manager of Government Business in the Senate
- **Tony Burke MP**, Agriculture, Fisheries and Forestry
- **Martin Ferguson MP**, Resources and Energy Tourism

Outer Ministry

- **Bob Debus MP**, Home Affairs
- **Chris Bowen MP**, Assistant Treasurer, Minister for Competition Policy and Consumer Affairs
- **Alan Griffin MP**, Veterans' Affairs
- **Tanya Plibersek MP**, Housing, Status of Women
- **Brendan O'Connor MP**, Employment Participation
- **Warren Snowdon MP**, Defence, Science and Personnel
- **Craig Emerson MP**, Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation
- **Senator Nick Sherry**, Superannuation and Corporate Governance
- **Justine Elliot MP**, Ageing
- **Kate Ellis MP**, Youth Sport

Parliamentary Secretaries

- **Maxine McKew MP**, Prime Minister and Cabinet
- **Greg Combet MP**, Defence
- **Mike Kelly MP**, Defence
- **Gary Gray MP**, Infrastructure, Transport and Regional Development
- **Bill Shorten MP**, Families, Housing, Community Services and Indigenous Affairs
- **Bob McMullan MP**, Foreign Affairs
- **Duncan Kerr MP**, Foreign Affairs
- **Anthony Byrne MP**, Prime Minister and Cabinet
- **Senator Ursula Stephens**, Social Inclusion and the Voluntary Sector
- **John Murphy MP**, Trade
- **Senator Jan McLucas MP**, Health and Ageing
- **Laurie Ferguson MP**, Immigration and Citizenship

"I want to put behind us, the battle between public and private."

Prime Minister-elect, Kevin Rudd, 24 November, 2007

Senate Considerations

In order to pass it's legislative agenda through the Senate from July 2008 onwards at this stage it looks likely the ALP may require the support of at least The Greens as well as that of either Family First Senator, Steve Fielding, or South Australian Senator, Nick Xenophon.

The Greens 2007 Federal Election Child Care policy statement was produced by the office of Senator Rachel Siewert, Australian Green's Senator for Western Australia:

The key objective of a quality child care and early childhood education system is the well-being of children and their future development. A further objective is enabling parents to balance their working lives with their family responsibilities so that they can fully participate in the social and economic life of their community.

Access to affordable child care is a crucial issue facing families around Australia. There is a lack of appropriate child care places, quality assurance issues remain and there is a danger of a two-tiered child care system emerging, with the most disadvantaged children receiving poorer quality care.

The Australian Greens believe community-based non-for-profit child care centres provide the best option for affordable, accessible, quality child care and should supported through increased funding. We support providing incentives for community-based on-site child care facilities in workplaces.

Quality early childhood education improves the social and educational outcomes of children,

particularly for disadvantaged children. An OECD study last year found that Australia spends the least on preschool funding of any OECD country.

With the lack of affordable quality child care and no comprehensive system of early childhood education, many working parents find themselves stuck between a rock and a hard place – having to choose between expensive child care options or leaving the workforce.

The Australian Greens believe there should a coordinated approach to the increased provision of publicly-funded early childhood education, with particular attention to meeting the demand for early childhood education services for the most disadvantaged children. The Greens support the establishment preprimary centres in primary schools as one means of addressing these issues.

On Monday 12 November, 2007 Family First Leader - Senator Steve Fielding - made the following public statement regarding child care:

Family First's policy is to give ALL families with children under five a \$4,000 Childcare Payment every year so they can choose the child care they want, whether it is in-house care from a grandparent or neighbour or a child care centre. This would replace the child care rebate, which only some parents can claim.

Child care is about ALL children, not just those in child care centres.

All Australian families should get the same child care help, regardless of the child care they choose.

		<h3>Specializing in Childcare Design</h3>
J A R D I N E		ARCHITECTS
<p>345 Ann Street Brisbane 4000 T: 3229 9322 F: 3229 2611</p>		<p><i>Architecture Interior Design Planning</i></p> <ul style="list-style-type: none"> •Site Analysis Studies •Regulation Compliance •Design & Documentation •Master Planning •Refurbishment <p>email@jardinearchitects.com.au</p>

Enlisting Political Support

As part of our ongoing role of bringing the issues affecting the child care industry to the attention of the broader community and political leaders, the following correspondence was sent on behalf of the members of Childcare Queensland to over 70 Queensland federal politicians (sitting members, senators and alike).

Dear Federal Election Candidate

I am sure you are aware that the child care industry in Queensland is a large and growing sector of the Australian economy. On a daily basis Childcare Queensland members currently employ 10,500 staff, and provide for the care and developmental needs for nearly 100,000 children, which therefore supports over 175,000 parents.

With the cost of living for Australian families being a central focus of the upcoming Federal Election, it is appropriate to outline some key recommendations that Childcare Queensland believes could assist in maintaining a child care system which is high in quality and affordable for families.

Childcare Queensland is keen to work with members of the Federal Parliament. Together we can maintain a sustainable childcare industry, which provides ever increasing quality learning and developmental outcomes while maintaining affordability for families.

Specifically, Childcare Queensland recommends:


1. An increase in the base child care benefit threshold of \$34,310 to \$50,000 to greater assist middle income families with child care costs;
2. A further increase to the CCB. This would be most effective by weighting the age categories 0 - 3, to better reflect the cost of child care within this age bracket.
3. Re-establishment of the Ministry for Children and Youth Affairs in recognition of the importance of this sector to the future development of young Australians.

Childcare Queensland is keen to ensure that Centre operators, as well as the 175,000 parents these Centre operators service, are aware of those Federal Parliamentarians prepared to support Childcare Queensland in pursuit of these recommendations.

Childcare Queensland will be advising both members and parents of the responses of our Federal Parliamentarians in November.

To this end I would welcome hearing from you as to whether or not you are supportive of the aforementioned recommendations. In order to assist us in this endeavour could you please arrange for your response to be forwarded to our office no later than Friday 9 November.

Gwynn Bridge
President, Childcare Queensland
18 October 2007



“the child care industry in Queensland is a large and growing sector of the Australian economy”

Gwynn Bridge, Childcare Queensland President

Labor's Response to Childcare Queensland

- 1. An increase in the base childcare benefit threshold of \$34,310 to \$50,000 to greater assist middle income families with childcare costs.**
- 2. A further increase to the CCB. This would be most effective by weighting the age categories 0-3, to better reflect the cost of childcare within this age bracket.**

Federal Labor understands the financial pressure Australian families are facing. Out of pocket child care costs have doubled under the Howard Government and families are struggling to find child care places in their local area. Federal Labor is absolutely committed to ensuring that working families can access affordable, quality child care close to where parents work and live.

A Rudd Labor Government will deliver a \$1.5 billion Affordable Child Care Plan which will:

- Increase the Childcare Tax Rebate from 30 per cent to 50 per cent – covering up to \$7,500 of out-of-pocket costs per child.
- Pay the 50% Child Care Tax Rebate quarterly – so parents no longer have to wait one or two years to receive their money.

Kevin Rudd's Affordable Child Care Plan is in addition to measures already announced to:

- Build up to 260 new child care centres around Australia on primary school and community grounds.
- Invest \$450 million to give every Australian four-year old the right to fifteen hours of high quality preschool every week, for forty weeks a year, delivered by a qualified teacher.

Federal Labor understands the need for high-quality child care. A Rudd Labor Government will provide national leadership to improve the quality of early childhood education and care in Australia delivering a \$77 million Plan for High Quality Child Care including:

- Tough national child care quality standards including a quality improvement system that assesses centres from A to E and regular unannounced spot checks;
- \$3.5 million for new healthy eating and physical activity guidelines for centres; and
- \$73.5 million in incentives and opportunities to improve the qualifications of child care workers to ensure our children receive expert early learning and care.

- 3. Re-establishment of the Ministry for Children and Youth Affairs in recognition of the importance of this sector to the future development of young Australians.**

Federal Labor is committed to young Australians having a voice. A Rudd Labor Government would have a Minister for Youth and an Office for Children and Young People which would be responsible for the development of youth-specific

A Highly Skilled Workforce

Child care educators are the most important links in the care and development of our nation's young children and they need our support. To get more highly qualified staff into our child care and preschools, a Rudd Labor Government will:

- Support up to 8,000 current and prospective child care workers to gain nationally recognised qualifications by getting rid of TAFE fees for eligible child care diplomas;
- Create additional early childhood university places each year, rising to 1,500 commencing students by 2011; and
- Pay half the HECS of 10,000 early childhood educators who agree to work in rural and regional areas and areas of disadvantage for up to five years. This will provide a benefit of around \$1,000 a year to individuals under this plan.

Federal Labor will also implement a National Early Years Workforce Strategy to:

- Aim to improve recruitment and retention in child care services;
- Better coordinate TAFE and university children services and early childhood qualifications to assist child care workers to build on their qualifications;
- Improve the professional development pathways for child care workers; and
- Coordinate a national program of recognition of prior learning to help experienced child care professionals attain formal qualifications.

Federal Labor's National Early Year's Workforce Strategy will be developed and implemented with child care providers and their employees, early childhood experts and State, Territory and Local Governments.

policies and would analyse how government initiatives affect young Australians. In addition, Federal Labor would have the Australian Youth Forum which will be a representative body comprising young people and full time youth policy specialists.

Please monitor the ALP website – www.alp.org.au – for further information.

A Childcare Queensland Analysis of 2007 Election Policies

On the face of it, the major Party's policy platforms are principally aimed at the child care consumers. That being said, there are however significant impacts of the policies upon child care operators.

The Child Care Tax Rebate

Labor's increase in the Child Care Tax Rebate will help reduce the cost of care for child care consumers. However, the move by the Coalition to make the payment up-front from April 2008 may reduce the out-of-pocket costs until such time the payment is made.

Another interesting element to the alternate policies in this area relates to just how much does a family have to spend on child care in order to claim back the \$7,500 CCTR.

To do this a family would in fact have to be out-of-pocket \$15,000 per child per year - after getting the CCB.

Assuming the CCB is at the minimum level of 16.79%, that makes the fees equivalent to \$18,026 per year - which breaks down to \$347 per week per child, or \$70 per day.

Child Care Tax Rebate [CCTR]	
Labor	Coalition
Lift CCTR on out-of-pocket childcare expenses [after income-tested Child Care Benefit] from 30 per cent to 50 per cent.	Maintain CCTR on out-of-pocket childcare expenses [after income-tested Child Care Benefit] at 30 per cent.
Increase CCTR cap from \$4,354 to \$7,500 per child.	Maintain CCTR cap at \$4,354 per child.
Pay CCTR quarterly, with a goal to eventually pay it fortnightly.	Pay CCTR up-front directly to childcare services so it can be passed on to parents immediately.

How that plays out for those families who choose to pay full fees - e.g. take minimum CCB	
Labor	Coalition
50% of maximum gap fee to \$7,500 p.a.	30% of maximum gap fee to \$4,354.00 p.a.
Maximum payment = \$144.23 per week (52 weeks per year) = \$7,500.	Maximum payment = \$83.73 per week (52 weeks per year) = \$4,354
\$300 weekly fees 16.79% (50 hours) CCB = \$271.71 gap fee x 50% = \$135.85 per week = \$4,064.46 annually (not reaching maximum of \$7,500)	\$300 weekly fees 16.79% (50 hours) CCB = \$271.71 gap fee (annual) x 30% = \$81.51 per week - (\$4,238.52 annually) with maximum payment of \$4,354 per year
Parent payment of centre fee of \$300 = \$135.86.	Parent payment of centre fee of \$300 = \$190.20.

Child Care Quality Standards

Labor has proposed a new set of "tough" National Child Care Quality Standards to accredit child care services and assess their quality levels. Whilst such rhetoric may sound reasonable to child care consumers, understandably, there are some concerns such a statement implies for many involved in providing those services.

Primarily, such a statement seems to overlook the extensive amount of time and resources which

have already been invested by the industry as a whole in terms of working with Government departments and the bureaucracy through the National Childcare Accreditation Council.

Labor's requirement that new services will be required to achieve at least a 'satisfactory' assessment under the new quality standards to commence providing care to children has many operators perplexed. How can a service be assessed prior to it actually providing a service? Further clarification on this point is obviously required.

... policy platforms are principally aimed at child care consumers.

Access to Child Care Places

Labor has committed itself to building an additional 260 child care centres, yet no details have been released as to where these are to be located or as to what rationale is to be applied in determining where they are located. This is extremely disconcerting to existing operators, who have legitimate concerns about whether they will all of a sudden find themselves in direct competition with a government-owned centre.

The Coalition on the other hand has announced an additional 35 child care places which are designated to addressing areas of need [where it has been identified there is a consistent under-supply of positions]. Furthermore the Coalition has outlined it is open to the idea of private operators to operate these centres.

Access to child care places	
Labor	Coalition
Invest in an additional 260 child care centres on school sites and community land.	Provide capital funding of up to \$1 million for local councils to build or extend 35 child care centres.

Child Care Workers Qualifications

Labor has announced \$73.5 million in incentives and opportunities to improve the qualifications of child care workers. Primarily, this is to be achieved via the abolition of TAFE fees for eligible child care diplomas; the creation of additional early childhood university places each year, rising to 1,500 commencing students by 2011; and paying half the HECS of 10,000 early childhood educators who agree to work in rural and regional areas and areas of disadvantage for up to five years.

Whilst the industry as a whole is broadly supportive of attempts to improve the skill-base of the workforce there are some operators who have expressed concerns over the long-term wage impacts which will generate affordability issues for families, brought about by the increasing focus on university-educated staff over and above those coming through the TAFE system.




GIOVANNI PORTA
B.Ed. LLB (Hons)

LEGAL SERVICE
PERSONAL & BUSINESS

Unit 3, 420 Newman Road
Geebung Brisbane Qld 4034

Telephone (07) 3265 3888
Facsimile (07) 3265 3588
Email: giovanni@portalawyers.com.au



We've got Child Care Covered!

Simply the best recruiters of
qualified and unqualified staff
baaaa none.

1300 360 014
www.selectededucation.com

select' Education
Australasia

Office of Work and Family

A Rudd Labor Government will create an Office of Work and Family within the Department of Prime Minister and Cabinet.

It will be established to give the Prime Minister direct involvement in the formulation of policies to get the balance right between work and family life for Australians.

As Prime Minister, Kevin Rudd has promised to take a central role in helping Australians get the balance right between the time spent at work and time at home with their children. A central focus will be examining ways to reduce financial pressures on Australian families – such as housing affordability, the rising cost of groceries, petrol and child care.

As a first step, the Office of Work and Family will drive a comprehensive response to Australia's child care crisis for working families. In addition, it will address the needs of Australian parents who choose to stay at home for the first years of their child's life.

Federal Labor recognises the tough decisions parents make in sending their children to child care, or wanting to stay at home to be with their child in the first years of their life. All working parents want to be assured that there is a child care place for their child, that is affordable and of high quality. And they want childcare that meets their needs.

It is why Federal Labor is determined to cut the waiting lists for child care places by creating 260 new child care centres and creating preschool places for all four year olds. The Office of Work and Family will work with the States and Territories and child care providers to:

- publish local child care fees, vacancy data and parental reviews so parents are better informed about quality and price;
- publish breaches by child care providers of the quality and accreditation standards;
- require child care providers to give at least two months notice to parents of child care fee increases; and
- examine options to improve child care affordability including increasing workplace-based child care so that parents can be closer to their children.

SELLING CHILD CARE



IT'S A LOT MORE THAN JUST CHILD'S PLAY

If there was ever a time to sell a centre, today is the day.... we have never had so many quality buyers looking Australia wide for good centres.

We now have, for sale, in QLD, SA, VIC & NSW, leaseholds, freeholds, new development sites, brand new turnkey leaseholds or just freehold investments.

If you are interested in selling or buying childcare centres, simply go to www.childcareforsale.com.au



Sutie 104, Lake Orr Drive
Bermuda Point
VARSITY LAKES QLD 4227
Tel: 07 5562 2711
Fax: 07 5562 2744
Toll Free: 1300 366 521



Listing Agent:
No 1 in Child Care Sales
Terry Blair 0412 807 808
terry@benchmarkbusiness.net
Lincoln Bridge 0424 370 025
lincoln.bridge@optusnet.com.au

BENCHMARK
BUSINESS & COMMERCIAL SALES
www.childcareforsale.com.au

Federal Labor recognises the tough decisions parents make in sending their children to child care

Costings Provide Further Detail

On 23 November the Department of Finance and Administration costings of the major political Party's policies were made available to us.

Childcare Queensland President, Gwynn Bridge, provided members with these additional details as they pointed out the expected time frame for the roll-out of the ALP's policy program and the anticipated costs – details which were yet to have been addressed at the time.

Key Factors Identified

- The inclusion now of existing buildings being "fitted-out" in addition to construction of new centres;
- The roll-out being set to commence in the 2008-09 financial year;
- \$6.3 million being set aside for the 2008-09 financial year - meaning the delivery of either six new centres or the fit-out of 12 existing centres.
- Delivery of the program via a 25 year Public Private Partnership model.

Summary of Policy

- A Labor Government will build or fit-out up to 260 Child Care Centres located on school grounds, delivered through a Public Private Partnership (PPP) model.

Intention of Policy

- More child care centres for Australian families.

The Impact on the Underlying Cash Balance

- Nil in 2007-08,
- -\$6.3 million in 2008-09,
- -\$25.2 million in 2009-10, and
- -\$51.0 million in 2010-11.

What Assumptions have been made in Deriving the Expected Financial Impact in the Party Costing?

- 260 centres will be built or receive a fit-out by the end of 2012-13.
- Size of centre will vary depending on location, demand and optimal staffing ratios however, on average, centres will accommodate an equivalent of 50 full-time places.
- Cost to build a centre in 2007-08 is \$1.0 million.
- Cost to fit-out a centre in 2007-08 is \$0.5 million.
- Term of PPP arrangement is 25 years. As this would be a genuine PPP arrangement involving genuine risk transfer, the annual budget estimates would only reflect the operating payments paid by the government to the private sector owner (or owners).
- Private sector partners responsible for funding and managing construction, fit-out and maintenance will absorb the risks associated with these.
- State and Territory governments will provide land (for centres constructed) or buildings (for centres receiving a fit-out).
- Government will be responsible for selecting the centre operators, who will pay a commercial rent to the government.

How Many People will be Affected by the Policy?

- Additional child care places for up to 20,000 children.

What is the Likely Take Up?

- Up to 20,000 children are estimated to take up a place.



Members - Log in to *your* website!

Have you logged in to the members only section of the Childcare Queensland website yet? Members have access to a host of useful information, including on-line versions of *Early Edition* (Childcare Queensland News).

You can also access resources such as fact sheets, web-links and documents, copies of government submissions and reports made on members' behalf and surveys.

Email the secretariat at info@childcareqld.org.au if you need a password!

More to Child Care than Dollars Alone

22 October, 2007

The Child care industry in Queensland today expressed concern over recent focus on the issue of the costs of child care – neglecting the equally important issues of the quality of service and flexibility.

Childcare Queensland President, Gwynn Bridge, said the child care industry recognises the significance of child care to family budgets – but by placing the focus on fees alone - politicians risked misrepresenting the true nature of the industry and what it means to Australian families.

“Child care is a service industry - where our members strive to ensure over 175,000 parents are provided with child care options which suits their family life, their children and their budgets.

“Over recent years we have introduced a range of innovative and flexible solutions to address issues of balancing working life and the day-to-day demands placed on working families - as well as ensure our services provide the best possible environment for children to grow and develop,” Mrs Bridge said.

Mrs Bridge said the Federal Opposition Leader’s weekend announcement that he is going to make changes to the child care hotline to ensure fee comparisons are made between child care centres was a token gesture which would do little to actually assist parents make responsible child care choices.

“When politicians start talking about creating uniform one-stop-shop phone lines - where parents will be told only about the differences between centre fees then they show a profound misunderstanding about the nature of what it is we do and what it is parents are truly seeking.

“In our experience parents want to know much more than simply what the cost of a child care service is. They want to know about the availability of positions and whether service providers can provide a child care solution which meets their entire family’s needs - which cannot be answered by simply telling people the cost differential between local service providers in their area,” Mrs Bridge said.

Industry Warns Child Care Places Should Not Be Politicised

20 November, 2007

There are fears the dumping of proposed child care centres in marginal seats as part of the Federal election campaign may do long-term damage to the provision of child care in the future.

Childcare Queensland President, Gwynn Bridge, said the placement of child care centres should be undertaken on a sound rationale of meeting community needs – not looking at the political needs of candidates contesting marginal seats.

“The last thing parents need to see is the provision of sustainable child care in their area to become politicised by candidates in a game of one-up-manship.

“The provision of child care needs to address existing and future needs and then look at whether existing service providers already operating in those areas are currently meeting the needs of the community as well as projected demand in the future,” Mrs Bridge said.

“If child care centres are being announced on a political whim - and not a well thought out strategy designed to meet the needs of parents in the community - then the long-term viability of existing service providers already operating in that area will be eroded and the gains achieved in providing quality care at a local level eroded.

“Childcare Queensland would like any political candidates thinking of announcing a new child care centre in their electorate to explain to the electorate exactly why it is needed and on what rationale the announcement is being made. Not to do so is simply lazy political point scoring based on myths about the child care industry which may not in fact even be true of the levels of care in that particular region,” Mrs Bridge said.



Protecting Your Key People

Have you considered what would happen to your child care centre if you, or another key person become sick, are injured or die? For your centre to continue to operate, it's essential to protect your key people with the right insurance cover.

Most centre owners insure assets such as buildings, equipment and vehicles, and they may forget that it is the people whose specialist skills and knowledge enable the centre to function well. Therefore, it is vital to consider the use of insurance to compensate your centre for any financial loss suffered because an insured event (traumatic illness or long-term disability) has happened to a key person.

Who is a 'Key Person'?

A 'key person' is someone whose continued involvement with a centre provides that centre with a significant and direct economic gain. Besides profits, economic gain can include good will based on high attendance levels, cost savings, capital injections, access to children and parents. A common example of a key person is an employee who is directly responsible for the daily operations of a centre or on whose specialist skills the centre relies, such as a Children's Services graduate.

As well as centre owners, other key people include:

- Centre manager – whose expertise, ingenuity and ability enable the centre to run smoothly, operate within budget and maintain a strong market share;
- Partner – whose unique contacts or business insight gives the centre a competitive edge;
- Early Childhood teacher – who has established a teaching program that is important to attract new children to the centre or to retain existing children.

Protect your Key People

All owners, directors and franchisees would benefit from talking to a Life Risk Adviser who can provide information about various wealth protection options that can safeguard your financial future.

Guild's Life Risk Advisers look after centre owners and directors by establishing a foundation of insurance. The actual cost for this type of cover usually equates to less than one percent of the annual business revenue. Yet having this cover may relieve the stress of finding suitable replacement staff should the unforeseen happen.


Safeguard your Financial Health

The most effective operational strategy may be at risk if you or a key person become ill, have an accident or pass away. Now is a good time to assess if you have adequate financial protection in place. After all, protecting your financial health and that of your family is an essential element of sound financial planning.

More to come ... Stay tuned for the next article on key person insurance – we'll help you to understand the taxation treatments for certain insurances. In the meantime, if you would like more information about key person risk, please call 1800 333 143 and speak to Heather Dhuna who is your local Guild Life Risk Adviser.

Guild Financial Services Limited AFSL No. 225590.

The information and/or advice in this article has been prepared without taking account of your objectives, financial situation or needs. Before acting on any of this information you should consider its appropriateness with respect to your objectives, financial situation and needs. Guild Financial Services may support your association through the payment of referral fees for certain products or services you take out with it.



**AUSTRALIAN
Child Care
Super Fund**

Part of the Guild Group

**The first and only
Super Fund
developed by Child Carers
for Child Carers!**

**TOLL FREE HOTLINE
1800 060 215
LEADING THE WAY!**

Investment Nominations of Australia Pty Limited as Trustee for Australian Child Care Super Fund FSE Licence: L000911 ABN 84 068 828 728 AFSL No. 233815
ACCC# 19 022 130 788 Fund Reg No. R1001617

A 'key person' is someone whose continued involvement with a centre provides that centre with a significant and direct economic gain.

Representing **175,000** parents & **100,000** children

Childcare Queensland – Working for Members

Childcare Queensland is the peak private long day child care centre association in Queensland - representing more than 700 centres and the State's 175,000 parents and 100,000 children.

Established in 2003 with the amalgamation of the Queensland Professional Child Care Centres Association Inc (QPCCCA) and Childcare Industry Association of Queensland Inc (CIAQ), the new body has rapidly become a focal point for Industry leadership and advice.

It is a not-for-profit, member-funded organisation, managed by a Management Committee and Committee Members.

2007-2008 Management Committee

Gwynn Bridge President
Peter Price Vice-President
Annette Cunado Vice-President
Lyn Phillips Treasurer
Debra North Secretary

Committee Members

Karen Brooks	Wendy Ross
Ian Weston	Graham Sagar
Vicki Ward	Kerrie Lada
Anthony Smith	

Key Activities Include

- Advocacy work to identify and resolve issues likely to impact on the sector.
- Working with governments and other authorities on regulatory and compliance frameworks.
- Critical advice and training for members on matters including industrial relations, employment responsibilities, salaries and awards.
- Promotion of the latest world research into policies and practices in long day child care to centres and the general public.
- Media commentary on issues and public education.



Our Contact Details

Location: 11/6 Vanessa Boulevard, Springwood
Mailing: P.O. Box 137, Springwood QLD 4127

Website: www.childcareqld.org.au
Email: info@childcareqld.org.au

Telephone: 07 3808 2366

Fax: 07 3808 2466

CQ Mobile: 0418 194 685

Toll free: 1300 365 325

(outside of Brisbane Metropolitan area)