

# Productivity Commission: Childcare and Early Childhood Learning

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SUBMITTED BY:

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## About AMES

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AMES is a specialist organisation providing settlement services, English language and vocational training and employment services to newly arrived refugees and migrants in their initial phase of settlement, and to longer term migrants who require support to gain employment. AMES provides services in Victoria, works with over 50,000 people a year and has over 60 years' experience.

The primary focus of AMES services is to transition refugees and migrants to successful settlement in Australia. AMES delivers a number of contracts for government to deliver these services.

AMES is a Victorian Government Statutory Authority reporting to the Department of Education and Early Childhood Development (DEECD).

## Submission Summary

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This brief response is based on experience in working with this newly arrived client group and specifically in the provision of child care in the Adult Migrant English Program.

The response provides information in the following areas.

1. Provision of child care in the Adult Migrant English Program (AMEP)
2. Accessibility to child care for newly arrived migrants and refugees
3. A model to address training needs in the child care industry

AMES strongly supports the provision of child care in the AMEP. The impact of assisting people to settle effectively through availability of this service is significant. It allows new arrivals with pre-school children to take advantage of the multiple benefits of the AMEP as a settlement program. Equally it contributes to early learning and readiness of newly arrived children for school in Australia.

AMES makes the following recommendations as part of this submission.

1. Regulation of the child care industry be reviewed in the context of capacity to contribute to safety, security and quality care for children to ensure that resources are directed in areas that can positively impact on quality.
2. Resources available for child care subsidies be targeted to low income earners where the barriers faced by high child care costs will have the highest impact on decisions and ability to train, learn English and enter the workforce.
3. Models to increase the participation and success rates of learners who require concurrent English language support with vocational training to gain the required qualifications to work in the child care industry be further developed and implemented.

## Provision of child care in the Adult Migrant English Program (AMEP)

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### The AMEP

Migrants and refugees who have low levels of English on arrival in Australia are eligible for 510 hours of English language tuition funded by the Australian Government. (Spouses of clients arriving on Skilled Visas pay for access to the AMEP.) In some cases clients arriving under the Humanitarian Program are eligible for an additional 200 hours. To ensure that the program is accessible to all eligible clients child care is provided as part of the program.

Clients can access child care services for pre-school children for the time in which they are attending their AMEP class. This provides a very significant benefit to clients who are focussed on learning English as part of their settlement in Australia and is an excellent component of the AMEP.

Without this access to funded child care it is likely that many of the clients with child care responsibilities would be unable to take advantage of the opportunity to learn English, gain information to assist in initial orientation, meet other people in their classes and develop a sense of belonging that contributes to their settlement in Australia. The benefits of this broader settlement knowledge that forms part of the AMEP in addition to English language learning cannot be underestimated.

Provision of child care also provides significant benefit to the children who are exposed to opportunities for early learning, preparation for schooling in Australia and in most cases the opportunity to spend time in an English speaking environment. These benefit children in their adjustment to Australia and preparation for education that will be the foundation of their future are a sound investment.

### Demographics in the AMEP

The importance of child care is highlighted in the demographics of the AMEP. There are significant numbers of women and a large proportion of clients who are in an age bracket where they are likely to have young children.

Tables 1 and 2 indicate that:

- the percentage of women in the AMEP has been within the range of 61% to 67% over the last 5 years
- the percentage of clients 45 years or younger has been within the range of 73% to 76%

Full year figures are provided for 2009 to 2012. 2013 includes clients up to end September. Clients recorded are those in AMES AMEP contract regions in Victoria. These represent clients in 7 of the 8 contract regions in Victoria and an estimated 30% of national provision.

Table 1: AMEP Clients by Gender

	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013
Female	10418	66.8%	10217	65.5%	9385	63.7%	9353	61.2%	8359	60.9%
Male	5167	33.2%	5382	34.5%	5344	36.3%	5930	38.8%	5365	39.1%
Total	15585	100%	15599	100%	14729	100%	15283	100%	13724	100%

Source: ARMS reports

Table 2: AMEP Clients by Age

	2009	2009	2010	2020	2011	2011	2012	2012	2013	2013
Under 25	1530	9.8%	1940	12.4%	2229	15.1%	2291	15.0%	1933	14.1%
25.01-45	9974	64.0%	9599	61.5%	8683	59.0%	8936	58.5%	8018	58.4%
45.01-65	3494	22.4%	3497	22.4%	3306	22.4%	3559	23.3%	3306	24.1%
Over 65	584	3.7%	563	3.6%	511	3.5%	497	3.3%	467	3.4%
	15582	100%	15599	100%	14729	100%	15283	100%	13724	100%

Source: ARMS reports

AMES strongly supports the provision of child care in the AMEP. The impact of assisting people to settle effectively through availability of this service is significant and allows new arrivals with pre-school children to take advantage of the multiple benefits of the AMEP as a settlement program.

### Access to child care in the AMEP

In 2013, AMES managed placements for 1586 children. Child care services are provided in long day care centres, occasional care centres, family day care and kindergartens. Child care is provided for AMEP students across the whole of Victoria ensuring that access for students in regional Victoria is included. The breakdown of placements across the range of child care options is provided in Table 3.

Table 3: AMEP Child Care by Placement Type

Placement Type	Placement Numbers	% of total placement
Long Day Care	1001	63%
Occasional Care	266	17%
Family Day Care	204	13%
Half Day Care	92	6%
Not stated	23	1%
Total	1586	100%

Source: ARMS reports – Clients in AMES AMEP contract regions in Victoria (2013)

While AMES successfully places large numbers of children the following are areas for consideration by the Commission.

- At times it is difficult to find affordable child care places resulting in parents being required to wait before commencing their AMEP class.
- The increased regulatory requirements for people undertaking Family Day Care has resulted in a decrease in availability of this type of child care. There is now a requirement for carers to have or be working towards Certificate 3 in Children's Services. This has resulted in a diminished number of carers from AMEP client community groups as a number of these carers do not have Certificate 3. AMES is exploring ways to deliver Certificate 3 to clients who do not have English as their first language to ensure that existing carers can remain in work or that other newly arrived women can successfully complete the course. (AMES experience is that it is women who are doing this work in newly arrived communities.)
- There is anecdotal evidence to suggest that with increased regulation, local councils and other local organisations are withdrawing from the delivery of child care services where this is not their core business. For example one regional TAFE Institute is closing its child care facility. AMES previously placed AMEP children in this facility.

- Long Day Care Centres mainly offer whole day places while attendance at the AMEP requires less than a whole day – for example from 8.30 to 1.30 if an AMEP class is from 9.00 to 1.00. This results in places needing to be paid for, but not utilised, for the whole day.

AMES supports regulation in the child care industry and the need for sufficient standards to ensure safe and secure care that supports children’s development. AMES is not a provider of child care and therefore does not have detailed expertise in the area of child care regulation. Hence, AMES cannot provide substantial input on the most appropriate way to manage the child care industry. However, as a service user in the AMEP, AMES makes the following recommendation on any assessment of regulation requirements in the industry.

## Recommendation

AMES recommends that any review of regulation of the child care industry be undertaken in the context of capacity to contribute to safety, security and quality care for children to ensure that resources are directed in areas that can positively impact on quality. Where specific regulations result in a positive impact, regulations should be retained. Where there are current processes or regulations that increase administration but do not necessarily impact on quality of care these should be reviewed.

## Accessibility to child care for newly arrived migrants and refugees

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### Child care and workforce participation

Accessibility to child care is frequently a necessary component to achieve the goal of participation and economic contribution following exit from the AMEP.

A longitudinal study with AMEP clients undertaken by AMES from 2008 to 2010<sup>1</sup> indicated that 95% were intending to work in Australia. This is in the context of only 58% of all women in this study having worked in their home country and of the group who came on Humanitarian visas only 12% had worked. This indicates significantly changed aspirations and a determination to contribute economically and settle effectively.

This importance of work in contributing and feeling settled in Australia is underlined by feedback in interviews undertaken by AMES with clients in the longitudinal study.

*I hope to find a job for my daily expenses, not to rely on Centrelink benefits and feel independent.*

Refugee, Vietnam

*I will do anything. I need money – I have two children. I think my English is not enough for many jobs so I will take whatever I can get.*

Refugee, Sri Lanka

*Language learning is very important for health, banking, Centrelink, making friends, socialising and living in the community, communicating with others. English language is important for every purpose because if we don’t know English language how can we do everyday things, especially in the work place.*

Migrant, Cambodia

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<sup>1</sup>Words to Work: Settling In and Finding Work. The Report of AMES Longitudinal Study 2008-2010. AMES 2011.

## Challenges for new arrivals in organising child care

For Australian born parents who want to return to work, understanding child care systems, the need to place children on waiting lists and the complexity of child care subsidies can be challenging. These parents will also often rely on family and other networks to manage their child care.

New arrivals do not have the same networks and contacts to organise child care and do not have the same knowledge and understanding of systems as parents who were born or who have been resident in Australia for a long period.

Without this understanding of systems and often a lack of wide family support it is more difficult to identify possible child care options as part of plans to enter the workforce. Finding employment is nevertheless very important for integration into Australian society and an important component of successful settlement for individuals.

## Child care cost impacts for new arrivals

Child care is expensive for newly arrived migrants and refugees. In AMES experience migrants and refugees who arrive with low levels of English often commence work in Australia in entry level employment, on pay low scales and in conditions of employment that are insecure. While this work frequently does not utilise skills it is viewed as a first step in the Australian labour market and a way to gain Australian work experience.

During the period of the longitudinal study 40% of participants found some paid employment and there was a steady increase over the three waves of the study. Jobs were often at a lower skill level than overseas jobs and pathways into work were largely through non-professional jobs. Of the 47% of migrants who came with professional qualifications only 18% had found work in a professional area in Australia. Of the 6% of refugees with professional qualifications in the study sample none had gained professional employment by the last wave of the study.

This lack of secure and adequate income to cover the high costs of child care can impede the ability to enter the workforce. This can have negative impacts on settlement for individuals. It can have flow on effects in terms of the length of time out of work that compounds future ability to find a job and the potential impacts of intergenerational unemployment that have been well documented elsewhere. It can also result in potential negative perceptions on the part of the wider Australian community with respect to the degree to which newly arrived migrants and refugees are contributing to Australia.

## Recommendation

AMES recommends that the resources available for child care subsidies are targeted to low income earners where the barriers faced by high child care costs will have the highest impact on decisions and ability to enter the workforce.

## A model to address training needs in the child care industry

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To address the issue of new requirements for qualifications in Certificate 3 in Children's Services, AMES is trialling a training delivery model that is appropriate for participants who do not speak English as their first language.

This model has been trialled with a group of Karen and Chin women in the eastern suburbs of Melbourne where there is a significant settlement of newly arrived Karen and Chin refugees from Myanmar. The model combines English language study with modules from the Certificate 3 in Children's Services and is undertaken over a year rather than the usual six months to accommodate the need to improve English language at the same time as developing competence in child care.

This contextualised English language learning that supports development of vocational context improves both English language competence and vocational skills.

A number of these women have now completed the Certificate and are commencing work as Family Day Care providers who can provide child care places for AMEP students. This delivers benefit to both the individuals in providing pathways to employment and for the AMEP in increasing the places available for Family Day Care.

A further advantage may develop where Karen and Chin women commence work in Family Day Care and then use this experience to gain future work in a Child Care Centre. In these cases it would provide a benefit of increasing diversity in staffing in long day care and provide an excellent environment for Karen and Chin children's development where they have the support of workers from their culture and also the advantages of integrating with children from other cultures and communicating in English to prepare them for school in Australia.

### **Recommendation**

AMES recommends that models to increase the participation and success rates of learners who require concurrent English language support with vocational training are further developed and implemented.