



5 February 2014

Our ref: 05-065-03-0005/NP

Childcare Inquiry
Productivity Commission
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To Whom It May Concern:

**RE: CHILDCARE AND EARLY CHILDHOOD LEARNING – PRODUCTIVITY COMMISSION
ISSUES PAPER INITIAL SUBMISSION**

Thank you for the opportunity to provide comment on the Childcare and Early Childhood Learning – Productivity Commission Issues Paper. This submission has been prepared by the Western Australian Local Government Association (WALGA) on behalf of Local Government in Western Australia. The Western Australian Local Government Association (WALGA) is the united voice of Local Government in Western Australia. The Association is an independent, membership-based group representing and supporting the work and interests of 138 Local Governments in Western Australia.

The comments contained in this submission have not yet been considered or endorsed by WALGA's State Council, as such, please be advised that this is an interim submission and that the Association reserves the right to modify or withdraw the comments as directed by State Council.

Background

Local Governments play an important role in supporting childcare and early learning throughout Western Australia, through regulation, facilities management and service provision. Local Governments continued involvement is essential to ensure the delivery of effective services throughout metropolitan and non-metropolitan Western Australia, in line with goals and priorities set by COAG and others.

According to the Department of Local Government and Communities figures, of the 940 Licensed Child Care Services in Western Australia (excluding Family Day Care) as at December 2013, 34 were licensed to Local Governments. Of those 34, 17 are licensed to metropolitan Local Governments and 17 to regional Local Governments. These centres remain licensed to Local Governments due to the commitment made by a Council or lack of alternative child care available in the area.

The growth in private sector provision of childcare services in many areas has reduced the need for Local Government involvement in service provision, however the level of Local Government involvement in terms of facility provision and maintenance remains significant.

Regulation

As acknowledged in the Issues Paper Local Government interacts with childcare and early childhood learning through health and safety, planning and zoning laws. In a recent WALGA survey (June 2013), feedback from the sector regarding Family Day Care indicated some confusion across the sector in regard to legislative requirements (flexibility of operating hours, number of enrolled children) and local planning and building requirements (parking, outdoor play space, fee structure).

This can mean that some Local Governments place additional Council requirements and further restrictions on Family Day Care providers which unfortunately may act as a barrier in attracting Family Day Care Educator applicants. This could lead to a diminished ability for Family Day Care Services to be established and in any way meet the expressed need from families living within these areas for Family Day Care.

What this feedback highlighted was a need to further educate the sector about Family Day Care. As a result WALGA, the Department of Local Government and Communities and Family Day Care WA will produce a resource to assist the Local Government sector to better assess development applications by Family Day Care educators. It should be noted that the issues and confusion that exists is broader than Family Day Care.

Infrastructure

Local Government is a critical partner in the provision, maintenance and planning of infrastructure for Early Years services and also directly owns a large number of the facilities used for the delivery of Early Years services. At a State and Commonwealth level, there has been insufficient funding for building or maintaining the required infrastructure. Many facilities were built decades ago with funding from State and Commonwealth Governments, which has long ceased.¹ Ageing facilities require more maintenance and some facilities are at the end of their asset life. Most Local Governments are unable to fund the construction of new facilities or continue to maintain facilities past their asset life cycle particularly when these facilities are provided free of charge with little or no cost recovery.

Although most Local Governments show great commitment and flexibility in working with local stakeholders in finding public space, many children's services such as playgroups or toy libraries are housed in whatever space is available. This may include space not ideally suited to their needs. Further hampering cost recovery and availability of space is the issue that some of these facilities are for the sole use of a service, and even when they are not in full time usage, no other usage is able to be assigned. For example, in 2008 a MOU between WALGA, the Department of Health and the Department of Local Government was developed to clarify the roles and responsibilities of the State and Local Government in the provision of child health services.² It did not address the financial arrangements and costs to Local Government. In 2003, the State Child Health Centre subsidy was abolished by the then State Government. The subsidy provided funding to support Local Governments with the operations of Child Health Centres.

Whilst the majority of metropolitan child health services operate from Local Government facilities, there is no legislative requirement for Local Government to provide facilities or support for child health services. Rather historical precedence has led to the dual State and Local Government responsibility for the provision of child health services. Many facilities are aging,

¹ West Australia Auditor General (2010). *Universal Child Health Checks*, Report 11, November 2010, report prepared and submitted to the West Australian Parliament, Perth.

² West Australian Local Government Association, Department of Local Government and Department of Health (2008). *Memorandum of Understanding on the Provision of Child Health Facilities*.

not fit for purpose and have traditionally been provided at very low rent or no rent to State Government. Most do not have any formal leasing arrangements.

With changes to the *Local Government Act 1995* regulations there was the introduction of the Integrated Planning Framework for Local Government. This framework provides the basis for improving the practice of strategic planning in Local Government by outlining minimum requirements. As a result many Local Governments are seeking a greater level of cost recovery or commercial lease agreements with the State Government. This aligns with the requirement for Local Government to formalise their asset management planning and evaluate best use of community assets under the Department of Local Government's Framework.³ It is estimated that up to 30% of members are currently considering or progressing formal or revised lease arrangements.

Support of Service Provision with Early Childhood Learning

Local Government provides a range of programs and services to support early childhood learning, for example public library services. The State Library of Western Australia and Local Government public libraries are the only government funded agencies available for children from infancy that provide year round free access to resources and services that support literacy and educate parents in their role as their child's first teacher.

The Better Beginnings program is funded by multiple services including the State Government, the Department of Regional Development through Royalties for Regions, Local Governments and Rio Tinto. Through Better Beginnings, Local Government libraries are the driving force behind early literacy activity in Western Australia. Every Local Government in Western Australia offers the program to families in their communities (reaching over 60,000 families annually); from providing the free books and reading packs to running regular Baby Rhyme Time sessions in libraries. Successful partnerships with WA's 233 public libraries have seen the program grow effectively and sustainably. By registering for Better Beginnings, Local Governments, through their libraries, are able to access a range of components that build or complement their existing services including: delivering free books and reading kits to parents of newborns; running storytelling and parenting sessions at libraries; lending early literacy resources to child-care centres and playgroups; creating family reading centres in libraries; and, training practitioners delivering the program. Better Beginnings is an example of a successful inter-agency partnership where Local Government investment has led to quick benefits.

In Western Australia there are approximately 120 toy resource centres/toy libraries located all across the State. A Toy Library Officer is employed by the Local Government. Toy libraries operate on very little funding and often rely on Local Government support to provide a venue. Often these programs are run out of Local Government libraries or other community spaces. The involvement can consist of direct funding or management.

Other Services/General Comments

The *WALGA Early Years Support and Investment Survey 2010* found that around 66% of Local Governments provided and/or maintained public crèches. Crèches are considered as occasional care model for the delivery of early childhood education and care. Outside of Local Government provision, there is very little funding and availability of crèches.

Local Governments support playgroups through the provision of community facilities to deliver playgroups. The peak body, Playgroup WA compared a number of Local Government area participation rates in playgroups and found a strong correlation between participation in a playgroup and positive Australian Early Development Index (AEDI) results. In the absence of

³ Department of Local Government (2010). *Integrated Planning and Reporting: Framework and Guidelines*, October 2010, Perth.

any formal funding arrangements from State and Commonwealth Governments, Local Governments have still adopted a lead role in supporting playgroups across the state.

Local Government continues to face financial and revenue raising constraints which limit their capacity to take on additional unfunded roles and responsibilities. Despite these constraints, the sector's involvement and investment into Early Years can be seen to demonstrate that Local Government partnerships are a key determinant of Early Years outcomes currently and into the future.

Thank you for the opportunity to comment on the Issues Paper. The Association looks forward to being involved in further consultation. For enquiries and additional information please contact Natalie Pizzata, Policy Officer - Community

Please quote our file reference in all correspondence.

Yours sincerely

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