

# ALARM BELLS RINGING

## DRAFT RECOMMENDATION 12.5

***The Australian Government should establish a capped ‘viability assistance’ program to assist ECEC providers in rural, regional and remote areas to continue to operate under child-based funding arrangements (the Early Care and Learning Subsidy and the Special Early Care and Learning Subsidy), should demand temporarily fall below that needed to be financially viable. This funding would be:***

- accessed for a maximum of 3 in every 7 years, with services assessed for viability once they have received 2 years of support***
- prioritised to centre-based and mobile services.***

I am the President of a small rural community operated childcare centre licensed for 12 people. Reading this recommendation left me feeling sick in the stomach and worried about the future of our centre which we have invested so much time and effort into. Without the annual sustainability funding of approx \$54,000 we would not survive. Because we are multi-age grouping centre our staff to children ratios are usually always 1:4 so we can't save by having some staffing ratios of 1:10 (3 years plus) like bigger centres as we only are licensed for 12 and normally average 7-8 children (all ages) which requires 2 staff members. We made a profit of just over \$2000 last financial year and that is with volunteers maintaining our grounds and completing a lot of the admin for free and gaining funding through grants. Yet we have allowed approximately 20 women to work either part time or full time in our rural community. We cannot set our fees too high as many incomes in our small rural town are low and we need to make childcare affordable. We also only operate from 8-5pm to prevent burn out of staff as we do not have enough qualified staff to have shifts. I agree it should be limited to regional and rural areas where without it, it would not be viable, but please do not limit access to 3 in every 7, every small centre in regional and rural areas would have to close down. We miss out on so many other opportunities living in rural areas, please do not take our ability to work away from us. We are also vital to the community, providing many professional women (teachers, nurses, doctors) the opportunity to continue with their careers after having a family. So many of us professional women have moved to the country, married locals and are fantastic assets in the community. The ability for women to work contributes not only to our community, they also pay income tax and the government saves money in reduced family assistance provided to these families.

## DRAFT RECOMMENDATION 12.4

***The Australian Government should fund the Early Care and Learning Subsidy to assist families with the cost of approved centre-based care and home-based care. The program should:*** 46 CHILDCARE AND EARLY LEARNING

- *assist with the cost of ECEC services that satisfy requirements of the National Quality Framework*
- *provide a means tested subsidy rate between 90 per cent and 30 per cent of the deemed cost of care for hours of care for which the provider charges*

On a personal note, I am teacher married to a local farmer. As our income is so variable and largely determined by factors out of our control ( ie rainfall) we have to set our income at the maximum rate required to ensure we do not receive family assistance and CCB (in case we have to pay it back) and then lodge our taxable income in April the following year. As a result we currently pay 50% upfront and then receive back any CCB owing to us at a later date. With the recommended changes to 30% I would have to seriously consider whether it is worth working if the upfront costs are too high.

- *determine annually the hourly deemed cost of care (initially using a cost model, moving to a benchmark price within three years) that allows for differences in the cost of supply by age of child and type of care*

Small centres have a higher hourly deemed cost of care as we normally have higher staffing costs as educator to children ratios are mostly always 1:4 or 1:5 at the most as small centres are normally multi-age grouping. Will this be considered when calculating the hourly deemed cost of care. The mentioned estimated rate of: \$7.53 per hour in LDCs is below what it costs to provide care as our director's hourly rate, when including sick and annual leave is approximately \$35 a hour and with a ratio of 1:4 it works out to be \$8.75 an hour, and then one needs to allow for operational costs (electricity, water, insurance, consumables, maintenance etc) and this assumes there are always 4 children to each educator. Sometimes we may have 5 or 6 children in attendance but 2 educators are still required to meet the required ratios.

- *pay the assessed subsidy directly to the service provider of the parents' choice on receipt of the record of care provided.*

Fully agree with this, parents sometimes receive the CCR direct to them but do not pay outstanding fees.

#### DRAFT RECOMMENDATION 7.2

***Requirements for educators in centre-based services should be amended by governments such that:***

- *all educators working with children aged birth to 36 months are only required to hold at least a certificate III, or equivalent*

I agree with this except for the nominated supervising officer which should still require a diploma. For this age group a nurturing and loving educator (and for all ages) is the most important factor. Educators either have this or they do not, it is not something that can be learnt and children are very good at reading people and forming strong attachments with loving carers. The majority of parents also feel this is the most important factor when they choose to send their children to child care. They want to feel comfortable leaving their children with other people and need to know they will be looked after in a loving and caring environment. In the case of our centre very few focus on the curriculum program and

documented observations, their biggest concern is if their children are happy to attend and have a close relationship with carers.

- ***the number of children for which an early childhood teacher must be employed is assessed on the basis of the number of children in a service aged over 36 months.***

I would like to raise the question in regard to states which provide kindergarten and pre-primary to children in a school setting. If these states provide children to access to a ECT 100% percent of the time while they are school, then why do centres in these states have to have the same requirements for an ECT as states which provide kindergarten and pre-primary through child care centres. For example children as young as 3 ½ years are starting school in Western Australia. Surely the 15 hours a week they attend school with an ECT is sufficient and a diploma trained educator is sufficient for any remaining hours they attend child care. In regard to employing ECT's I have seen first hand where ECT's are employed who have been in the school system and really struggle with dealing with younger children compared to diploma trained educators. They are also unaware of regulatory requirements and struggle to deal with tighter regulations compared to the schooling system.

DRAFT RECOMMENDATION 7.1

***To simplify the National Quality Standard, governments and ACECQA should:***

- ***identify elements and standards of the National Quality Standard that can be removed or altered while maintaining outcomes for children***
- ***tailor the National Quality Standard to suit different service types — for example, by removing educational and child-based reporting requirements for outside school hours care services***

Full agree, surely elements such as sustainability need to be removed, it is unfair to rate a service down due to these elements, as it does not directly rate to the standard of care provided.

DRAFT RECOMMENDATION 7.6

***Governments and ACECQA should:***

- ***urgently reconsider the design of the assessment and ratings system, giving particular consideration to finding ways to increase the pace of assessments***
- ***explore ways to determine services' ratings so they are more reflective of overall quality***
- ***abolish the 'Excellent' rating, so that 'Exceeding National Quality Standard' is the highest achievable rating.***

Strongly agree, the assessment process involves too much paperwork and red tape.