

City of Melton Response to Productivity Commission Draft Report

Introduction

Melton City Council is one of the fastest growing municipalities in Australia, offering both urban and rural lifestyles and affordable land within a comfortable commuting distance from Melbourne, Victoria and links to Melbourne's key freeways, airports and the Port of Melbourne.

With a population of 127,937, the City of Melton embraces a series of townships and communities including Caroline Springs (19 kilometres west of Melbourne's CBD) and Melton (35 kilometres west of Melbourne's CBD).

Based on the SEIFA index of disadvantage, the City of Melton is not a disadvantaged community, however, when we look at pockets of disadvantage, particularly around the Melton Township, the community is clearly experiencing deeply entrenched disadvantage.

Response to Selected Recommendations

Draft Recommendation 12.2

The Australian Government should combine the current Child Care Rebate, Child Care Benefit and the Jobs Education and Training Child Care Fee Assistance funding streams to support a single child-based subsidy, to be known as the Early Care and Learning Subsidy (ECLS). ECLS would be available for children attending all mainstream approved ECEC services, whether they are centre-based or home-based.

Melton City Council supports a more streamlined approach to the provision of fee subsidies for 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:

- *assist with the cost of ECEC services that satisfy requirements of the National Quality Framework.*

Melton City Council supports this recommendation.

- *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*

Melton City Council supports this recommendation in principal but believe that a caution is required to ensure the 'deemed cost of care' needs to be reflective of the true cost of providing high quality care.

- *support up to 100 hours of care per fortnight for children of families that meet an activity test of 24 hours of work, study or training per fortnight, or are explicitly exempt from the criteria*

Melton City Council does not support the recommendation for application of an activity test. Council strongly supports the evidence base that the best outcomes for children, particularly vulnerable children, occur when support services are affordable and accessible. Families need to be supported in accessing affordable child care regardless of their work/ study status. Creating this barrier may lead to more families experiencing vulnerability as they will be without supports in the care of their children. Child care attendance can provide a soft entry point for families to access universal services such as Kindergarten and Maternal and Child Health as well as increasing likelihood of immunisation.

The Productivity Commission Draft report acknowledges that it is difficult to identify children younger than preschool age from disadvantaged backgrounds who may be at risk of being vulnerable. Attendance at Child care can assist in identifying and supporting these children prior to attendance at preschool.

Draft Recommendation 12.9

The Australian Government should continue to provide per child payments to the states and territories for universal access to a preschool program of 15 hours per week for 40 weeks per year. This support should be based on the number of children enrolled in state and territory government funded preschool services, including where these are delivered in a long day care service.

Melton City Council supports the Commission's recommendation that the Commonwealth Government continues to fund 15 hours of Universal Access. Melton City Council, in partnership with Kindergarten Cluster Managers and Government, has invested considerable time and funds in ensuring that 15 hours of Universal access is provided to all children in the year before school.

Draft Recommendation 5.1

Payment of a portion of the Family Tax Benefit Part A to the parent or carer of a preschool aged child should be linked to attendance in a preschool program, where one is available.

Melton City Council supports all children attending Kindergarten. This recommendation needs further consideration and investigation to explore the potential issues and barriers for vulnerable families that this change could influence. This recommendation may create additional challenges to families in vulnerable circumstances, rather than provide the assistance and support which is needed. In order to implement this recommendation, barriers to children's attendance need to be addressed, particularly in relation to accessibility and cost.

Draft Recommendation 7.9

Dedicated preschools should be removed from the scope of the National Quality Framework and regulated by state and territory governments under the relevant education legislation. The quality standards in state and territory education legislation should broadly align with those in the National Quality Framework. Long day care services that deliver preschool programs should remain within the National Quality Framework.

Melton City Council supports kindergarten provision remaining under the National Quality Framework in order to promote best outcomes for children. Council supports children's care and education being integrated and not separated.

Draft Recommendation 10.1

In line with the broad level recommendations of the Productivity Commission's 2010 study into the Contribution of the Not for Profit Sector, the Australian Government should remove eligibility of not-for-profit ECEC providers to Fringe Benefit Tax exemptions and rebates.

State and territory governments should remove eligibility of all not-for-profit childcare providers to payroll tax exemptions. If governments choose to retain some assistance, eligibility for a payroll tax exemption should be restricted to childcare activities where it can be clearly demonstrated that the activity would otherwise be unviable and the provider has no potential commercial competitors.

Melton City Council raises the concern of removing the tax exemptions for the Not for Profit sector and the resulting higher costs for families accessing services, especially in low socio economic areas. This recommendation needs further consideration and investigation, to explore the potential implications on the Not for Profit sector in losing the tax exemption and the follow on impact to the delivery of quality care.

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 quality 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.*

Melton City Council does not support reducing the expectation under the National Quality Framework for Out of School Hours services in the National Quality Standard areas of Educational Program and Practice and Collaborative Partnerships with Families and Communities. Council supports the improved standards and professionalism within the sector that has been a product of the implementation of the National Quality Standards for Out of School Hours services.

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*

Melton City Council does not support the recommended reduction in qualifications for people working with children under three years of age. There is extensive evidence to support the importance of investing in this age group which ultimately achieves better outcomes across a wide range of health, wellbeing and economic indicators.

Draft Recommendation 7.5

To provide services with greater flexibility to meet staffing requirements, ACECQA should:

- *remove the requirement that persons with early childhood teacher qualifications must have practical experience for children aged birth to twenty four months*

Melton City Council does not support this recommendation and raises the concern of the Productivity Commission not qualifying the importance of practical experience for educators in working with children aged birth to twenty four months. These children require educators who understand and have experience in the developmental needs of children in this age group.

All governments should allow services to temporarily operate with staffing levels below required ratios, such as by maintaining staffing levels on average (over a day or week), rather than at all times.

Melton City Council does not support this recommendation noting with the Commission the extensive research, evidence and introduction into Australia of stringent child/staff ratios that recognise the importance of staffing levels in the delivery of quality care outcomes to families and children. It would be to the detriment of the Early Years in this Country if this step backwards was allowed.

Draft Recommendation 7.12

Local governments should adopt leading regulatory practices in planning for ECEC services. In particular, local governments should:

- *use planning and zoning policies to support the co-location of ECEC services with community facilities, especially schools*
- *use outcomes based regulations to allow services flexibility in the way they comply with planning rules, such as in relation to parking*

- *not regulate the design or quality of any aspect of building interiors or children's outdoor areas within the service property, where such regulation duplicates or extends the requirements of the National Regulations or other standards such as the Building Code of Australia*
- *not impose regulations that interfere with the operation of the ECEC market, such as by restricting the maximum number of permitted childcare places in a service*
- *provide clear guidelines for the assessment of development proposals in relation to ECEC services, and update these guidelines regularly.*

Melton City Council supports this recommendation and believes that it generally follows industry best practice and reflects what currently occurs in the Planning system.

State planning departments should, as in Victoria, develop flexible standard planning provisions that can be applied across local governments to ensure some level of consistency; and scrutinise amendments to local planning schemes that might seek the introduction of different standards to guard against potentially costly requirements being imposed.

Melton City Council supports the recommendation that State Governments should develop flexible standard planning provisions and believe that there is significant onus on State Government to ensure there is a consistency in approach and decision making.