

EDUCATION AND CARE SERVICES NATIONAL LAW (WA) BILL 2011

Second Reading

Resumed from an earlier stage of the sitting.

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [4.05 pm]: Prior to the break I was discussing the importance that we on this side of the house place on early childhood health and education. Obviously this bill is an important part of reinforcing the values that we in the Labor Party hold true in relation to the importance of the early years in providing the foundation for a child's education and opportunities that a child might be able to take advantage of in the future.

Child care is an important part of our community. Nationally, over 870 000 children are in some form of care. In Western Australia, 49 per cent of children under the age of two are in some form of child care. The Productivity Commission report of January 2012 reports that in 2011, 18 per cent, or greater than 70 000, of all Western Australian children between the ages of zero and 12 attended government-approved childcare services of one form or another. Child care is a significant part of our community activities and interaction in the education sphere.

As I said earlier in relation to child care, the Labor Party holds very dear the importance of ensuring that we have a workforce that is able to deliver the highest quality childcare services in our community. We have seen an evolution of childcare services, where we are no longer talking simply about extended babysitting services, but about an important part of our early childhood education system. So rather than have a childcare system that is essentially full of carers, we now have a childcare system that is increasingly becoming the realm of professional educators. For instance, the National Early Childhood Education and Care Workforce Census 2010, which was released in June last year, found that more than two-thirds of early childhood education and care staff hold a qualification of certificate III or above; almost 80 per cent of staff in long-day care have an ECEC qualification; about 40 per cent of ECEC staff in long-day care and preschool services already hold a diploma level qualification, or better; and teachers in preschool services are three times more likely to have a four-year degree than a three-year degree. We have an emerging earning workforce that is highly qualified and highly motivated in the education of our young children. However, the wages and conditions of these workers is not keeping pace with the qualifications that they bring to bear.

I want to talk briefly, if I may, about the campaign that is being waged by my union, in conjunction with early childhood education and care professionals, to seek to improve the wages and conditions that these people work under in recognition of the fact that they are professional educators and not just carers. The sector is calling for professional wages for professional work. Because of historical circumstances and a range of other reasons, systemic poverty wages are driving a turnover of those staff because they simply cannot see a future for themselves despite the fact that they bring post-secondary qualifications to the process. Every year, for instance, 15 000 child care educators around the country leave the sector. One in three is forced out of their job each year. At the same time, fewer and fewer suitable people are willing to enter the early childhood education and care profession simply because the wages they are paid are not keeping pace with the expectations of the professional educator sector. A certificate III qualified childcare professional is paid \$18.06 an hour, while diploma and qualified childcare professionals are paid only \$21.27 an hour. This compares with a minimum wage of \$15.51. We have an emerging crisis within our early childhood education sector. Young people are being drawn to the sector because they are carers and they are education professionals and they want to forge a career in this particularly specialised area of education. However, they are being forced out simply because they are not remunerated enough even though they have post-school qualifications. Early childhood educators deserve professional levels of pay because they are professionals. This is not simply a childcare service anymore. These are people who are education professionals. They undergo extensive training to work in this area, but they are being held back in their careers simply because the sector by and large does not recognise the fact that they are professionals. So there is a campaign at the moment to try to draw attention to this matter.

I had the pleasure of attending a childcare centre in my electorate recently at which I was presented with messages from both educators and parents who sent their children to this childcare centre. The parents wanted the staff in this centre to be valued for the important work they do on behalf of their children. It is time we took the attitude that these are healthcare professionals, not just childcare workers. It is time we talked about this being an important early childhood education and care sector, not simply childcare centres. It is important we recognise that these childcare centres are the building blocks of the education system upon which we all rely.

That is why this is particularly important legislation. This legislation does a range of things. Firstly, it improves the quality of education and care services for all children. Ninety-two per cent of people polled by Early Childhood Australia thought that the quality of early childhood education and care was more important than the

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

cost. The minister, in his second reading speech, spoke about concerns across the sector that some of these changes require further regulation, particularly the potential supervision of children for 100 per cent of the day. As gaps will have to be filled associated with staff taking lunchbreaks, there will be higher staffing costs associated with that, so there is potential for those costs to be handed on in the form of higher childcare fees. If the community members were polled and had a choice between the quality of child care versus potentially extra dollars each week, I think we would find that they would go for the quality of child care.

I also note that there is some conjecture about the financial impact of this new legislation. Western Australia can be assured that, because we already enjoy such a high-quality level of care in these centres, some of the new regulations associated with this legislation will have minimal impact on us because we are already ahead of the game to a certain extent. The other states will be lifting their standards higher than we in Western Australia will be.

This legislation will also reduce the regulatory burden on services by introducing a new regime to license the service providers. In doing so, we will allow for greater synergies between multicentre operations and a more seamless transition of workers and services between jurisdictions. We will continue to reform, modify and improve the sector generally to ensure that we have a modern early childhood education and care system. The legislation will provide greater access to information about the quality of services. This is extremely important to ensure that parents in our community who send their children to these facilities have all the information necessary to make effective and informed choices about the style and nature of the early childhood care their children receive and so that they can make informed choices about different providers and ensure that their children go to the centres that best meet their needs. The minister has provided a more extensive outline of how this legislation will work. As I said earlier, we will be supporting the legislation, so I will not go over other aspects, although I would be interested in the minister's views about what he believes the impact of the increased regulation will be as it applies to fees in Western Australia and whether the government has any view about offsetting or alleviating the extra costs incurred by Western Australian families.

In conclusion, we will be supporting this bill because it is important legislation. It continues the national reform that federal Labor has been implementing right across the policy range, including in health and education and in this important sector. It is very important legislation because it recognises that this is the education sector, not just a childcare centre. The more we try to drive our economy to be part of one of the informed or smart economies, the more important it is that we invest in our children. Robin Crawford, a former executive of the Macquarie Bank and now chairman of Goodstart, formerly ABC Learning, said —

If you are looking at infrastructure in Australia, —

As I am sure an executive of the Macquarie Bank would have been wont to do on many occasions —

the best investment is educating children, much more than roads and bridges.

That is why it is important that we support this legislation today.

Finally, I want to thank Ms Solitaire Woolcott, a staff member from the Leader of the Opposition's office who has been of immense assistance to everyone on this side of the chamber. Today is her last day in the Leader of the Opposition's office. I want to take this opportunity to place on record our appreciation of the extraordinary service she has provided to us and wish her all the best in the future, wherever she might continue to apply her extraordinary talents.

MS J.M. FREEMAN (Nollamara) [4.19 pm]: I also rise to speak on the Education and Care Services National Law (WA) Bill 2011. It seems timely that we are debating this bill, given the tabling today of the thirteenth report of the Education and Health Standing Committee, "Child Health — Child Development: the first 3 years", which talks about the importance to the zero to three years age group of what they call the attachment and care aspects of child behaviour. Those areas should be just as important as other areas of early childhood development and should be reflected in our childcare institutions and the delivery of childcare services and early childhood education.

There have been a number of reports around the bill before the house—the Productivity Commission research report titled "Early Childhood Development Workforce" and the Australian government's interim response to that, both of which were released in December 2011 and which I will refer to. One aspect of the "Australian Government Interim Response to the Productivity Commission Research Report on the Early Childhood Development Workforce" talked about the importance of the quality of early childhood education. I would like to put that on the record as it seems to be a very pertinent point. That report identified the components for quality early education and care to be higher qualifications for early childhood professionals, lower child-to-staff ratios and a strong relationship between the child and a stable caregiver. This bill tries to deliver those things. As the

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

member for Kwinana said, many of the amendments in this bill may not have a great an impact in Western Australia, because a number of things such as the staff–child ratio are already in place here. WA had previously led the nation in many of the conditions in our early childhood education centres, such as educational requirements. I understand that, despite WA centres having in place a requirement for workers to have a certificate III in children’s services prior to these proposed national changes and meeting the staff-to-child ratios, WA is actually lagging behind in the introduction of this bill because WA is now the only jurisdiction not to have passed this law. Page 29 of the Productivity Commission report refers to the different jurisdictions and states —

The change in demand for preschool and LDC workers —

Long-day care workers —

will differ across jurisdictions. Queensland, South Australia, the Northern Territory and the ACT will need to make substantial progress to meet the new standards. New South Wales, Tasmania and Victoria will require more modest changes to meet the Council of Australian Governments (COAG) targets, while Western Australia is already relatively close to meeting the new requirements. Western Australia currently provides universal access to preschool (but for less than 15 hours per week). In addition, ECEC services in that state are already compliant with the staff-to-child ratios specified in the new standards, though not the qualification requirements.

I understood that the qualification requirements had been met, certainly the certificate III qualification. I have some knowledge of the award and early childhood centres are required to have at least a certificate III worker in some of the rooms, especially if they do not have a fully qualified childcare worker who is a diploma-qualified worker. I am trying to outline to members who are here that they may have early childhood education centres coming to them saying that this is going to cost parents and that it will have an impact. Members need to know that this legislation will have minimal impact on the already very good staff-to-child ratio in Western Australia and on the quite high requirements for early childhood education qualifications that are outlined in the awards for people who work with children in early childhood education centres.

This law is integral to the national quality framework for early childhood education. As the member for Rockingham said, it was agreed to by the Council of Australian Governments to create a national system of regulation, quality assurance and standards for early childhood education in the childcare sector. For many years each state has been responsible for providing child care and most child care was provided by community-based centres. Certainly the nationalisation of childcare standards has been driven by policymakers wanting to ensure that early childhood education centres are responding to the needs of zero to three and zero to five-year-old children, and to ensure that they are getting quality child care and quality early childhood education. However, nationalisation is actually more in response to the sudden plethora of companies that took over and started delivering services. This law, therefore, also responds to that market-driven aspect. I will now refer to that aspect and its consequence for the early childhood education sector.

It is important to bear in mind that this legislation is about early childhood education. We have moved away from the idea that we place our children in creches or in care without taking into account the requirement for an education aspect when they are in care. When my son, who turned 16 years of age last Sunday, was in the very good Catherine McAuley Child Care Centre in Wembley, the staff were doing teaching plans even then. I am sure they were not called teaching plans; they were called program outlines. People often say to me what a great capacity my son has in many areas. He is very skilled in his music, he has very good interpersonal skills and he has a wide-ranging capacity for appreciating all sorts of different foods. I often say to people, “Nothing to do with me. I think the childcare workers were fantastic with him.” I must say that as a working mum, I was absolutely grateful for the support that those early childhood educators gave me in raising my child. I do believe, as the saying goes, that it takes a village to raise a child.

As we heard today, there now seems to be an accepted belief that the care and education afforded to a child in the zero to three or zero to five years of the child’s life will have the most profound effect on their future. It has an effect on their long-term health, their development, their education and their wellbeing, and an effect on producing significant returns to individuals and to society. I will talk about the economic aspect of that effect later on. This legislation that is before us, therefore, is certainly not something to be thought of as a minor piece of legislation; it is a very serious and welcome piece of reform in this country and in this state.

I spoke before about the history of the early childhood education sector. I was around when it suffered the ravages of becoming a vehicle for money-making by the private sector. The private sector was not focused on its core function of delivering quality early childhood education to children; it was focused on delivering profits to shareholders and owners. That race to a stock market ideology severely disadvantaged quality childcare education. It saw community-based childcare centres close. It saw a race to some of the minimums in this area.

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

Whilst I can say that there were a few excellent profit-based centres that were focused on outcomes for the children, and certainly some excellent not-for-profits and community-based childcare centres, that area of profit-driven childcare also drove many workers out of the sector. I refer to page 9 of the Australian government's response to the Productivity Commission's report on the early childhood development workforce, which talks about some of the consequences of that drive towards the stock market ideology that took over early childhood education centres. It states that the Australian government had to take action to support and intervene with its funding of \$58 million to ensure the continuity of care for families following the collapse of ABC Learning. We all remember when ABC Learning Centres collapsed because of poor management. The response continues —

- The Government has further sought to stabilise and diversify the market by providing a \$15 million loan (at no cost to the taxpayer) to Goodstart to assist in the purchase of the majority of ABC services.
- Over 90 per cent of the centres that were under threat of closure continue to operate.

That was because the government had to get involved. This is not a sector that should be considered to be profit-based; it should be considered an adjunct to our broader education system. There is nothing to say that we cannot have private early childhood education centres. We certainly have private schools and universities. However, it needs to be known that the primary objective of these centres is the delivery of quality education to our children through professional services and professional staff. Frankly, having worked in that area and obviously having my child in child care I know that childcare workers are committed to early childhood education. They are trained in that area. However, as the member for Kwinana pointed out, they are unable to receive a living wage commensurate with their level of training and responsibility. Today we see a turnover in the sector of around 32 per cent. That is hardly surprising when a three-year qualified childcare worker—it may be a two-year qualified worker; I will stand corrected on that—earns \$21.27 per week. Compared with a similarly qualified tradie —

Mr R.H. Cook: You said \$21 per week.

Ms J.M. FREEMAN: Sorry, it is \$21.27 per hour. They would be really despondent if that was the amount per week! We can compare them with mechanics, for instance, who are paid on average around \$30 an hour. People might know that the wages of members of Parliament are looked at by a tribunal headed by Bill Coleman. Ten or 15 years ago Bill Coleman looked at childcare workers in what was called a minimum rates adjustment case. At that stage he thought that a comparison should be made between early childhood educators—in those days they were called childcare workers—and first-year teachers. In WA, the starting salary of a first-year teacher is \$29 an hour. There are arguments for why we should not go back to that comparison and all sorts of discussions about how wages and conditions should be set, but even if we did go back to that comparison, which was established some 10 or 15 years ago—it is probably more than that; it is probably 20 years ago and I am showing my age—there is a good \$8 per hour difference, which is a significant amount over a week and a year. That also does not include the fact that childcare workers work a 38-hour week, 52 weeks a year. Page XXX of the Productivity Commission's report goes to the issue of wages and states —

Crucially, to attract a sufficient number of additional qualified workers to preschools and LDC centres to meet the agreed reforms, wages for many workers in these services will need to rise (though in some jurisdictions teachers in preschools are currently appropriately remunerated ...

It is my view and the view of United Voice that to be able to meet these sorts of qualifications, the wages for this profession need to be increased to recognise the profession's qualifications and professional status. On page XXXI of the report it states —

While some ECEC services may attract the extra qualified workers they need by paying above-award wages, many will struggle to do so, for a number of reasons.

- government regulation of staff-to-child ratios and qualification requirements restrict the scope for services to achieve productivity gains and real wage growth.
- historically, the use of award wages has been common in ECEC settings, creating a culture of remuneration based on awards. Small community organisations find paying award wages simpler than costly enterprise-level bargaining arrangements, performance-based agreements, or both.
- government funding formulas mean that many ECEC services do not have the ability to increase wages or to pay different rates to different staff without fee increases.
- ECEC workers may feel constrained in asking for pay rises when they have to face parents who will bear the impact of fee increases.

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

However, it is certainly the case that the figures released by the federal government show that this increase will be quite marginal and that it is mitigated by the fact that there have been additional increases in the childcare rebate from 30 to 50 per cent as outlined by the member for Kwinana. The federal government also increased the rebate cap to \$7 500 per child per year. Since these increases, a family with one child in care now spends seven per cent of disposable income on child care compared with 13 per cent in 2004.

[Member's time extended.]

Ms J.M. FREEMAN: This framework, and the national quality framework that this bill is based on, is underpinned by a \$21.7 billion investment into early childhood education and care over the next four years to 2014–15. That compares with about \$7.3 billion in the 2003 to 2006–07 period. I acknowledge the federal government's commitment to increasing access to education for childcare professionals through the \$50 million for the 1 500 additional ongoing university places for early childhood teachers; the \$12 million for the HECS–HELP benefit for early childhood education teachers initiative; the \$115 million to waive TAFE fees for the children's services diploma and advanced diploma courses; and the \$9 million to support access to recognition of prior learning. At page 4 of its response to the Productivity Commission report, the government gives quite a large outline of the extensive funding that has been put into the childcare sector since this government introduced these reforms. I will not go into that but, basically, there is \$53.9 million to create additional commonwealth supported university places, and I have referred to the \$12.4 million. I have discussed those, and they certainly add up to quite a significant amount.

Dr M.D. Nahan: What government submission is that—Western Australia's or commonwealth's?

Ms J.M. FREEMAN: It is the Australian government interim response to the Productivity Commission report, which I think is quite good in how it looks at the issues.

The changes introduced by this bill will ensure that each child will get the individual time and attention they need through the improved educator–child ratios. The requirement for greater qualifications is to inspire children and help them learn and develop, which we all accept is important. It is also about making sure that childcare educators are professionals who, I understand, do individual education plans for each child.

In a recent speech, the federal minister noted the economic benefits of the national quality framework reforms, based on an Econotech analysis. He said that it would generate an up to 1.5 per cent increase in participation rates by 2040, and a 1.2 per cent increase in labour productivity in the same period. He said that the Econotech analysis, therefore, equates this to an annual increase, on average, of 0.6 per cent to baseline gross domestic product. So, over the period to 2040, that makes an average of a \$9.9 billion a year increase in our GDP because of increased productivity. I note that the federal government's report on equal pay states that one of greatest contributors to gross domestic product in Australia has been the increase in women's participation in the workforce. The member for Rockingham talked about it as an increase in women's participation; I prefer to think about it as increased primary parent participation, because, progressively, both parents want to partake in the workforce. Early childhood educators have access to our children in that zero to five years or zero to three years period of time—whichever one people say is the most important—and if we are going to have early childhood education in these centres, we need to make sure it provides the best benefits possible. That also means that we should have the best people in our workforce to ensure that we have the best productivity.

The Productivity Commission research report states that the sector currently provides early childhood education and care and child health and family support services to more than 1.5 million children in Australia. It also states —

Early childhood development services are not currently providing the same start in life to children with additional needs, and many Aboriginal and Torres Strait Islander children, that is commonly available to other children. The workforce requirements to provide appropriate services for these children must be prioritised so that the gap in outcomes between them and other children is minimised, not exacerbated.

We should take away from the report that this is simply a beginning and a structure; it is simply about good regulations and frameworks. We need to ensure that those services are delivered to those in our community who need them the most. Certainly, if costs increase, the federal and state governments need to make sure that no-one in our community misses out or is withdrawn from early childhood education centres because of that.

Frankly, it is my belief that eventually we will have to have the discussion about whether early childhood centres go into schools. We are currently talking about “hubbing”; we really do need to start having that debate about whether that is the appropriate place, or at least ensure that there is some sort of continuity into the school system.

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

A big issue has been staff relief over lunchbreaks. There always has to be a staff member in any classroom over lunchbreaks, but under the current award it can be a certificate III worker instead of a qualified worker. Is the issue that there suddenly has to be a qualified worker over that lunchbreak?

Page 14 of the government review states that in Western Australia —

One early childhood teacher is required for every 30 children in a pre-kindergarten program or kindergarten program provided by a school. This may be extended to one early childhood teacher for every 33 children —

So it is a lesser thing in this case —

in exceptional circumstances or for a period of not more than one year. An early childhood teacher must be in attendance at all times the children are being educated and cared for by the program.

Is that only when a kindergarten early childhood program is being undertaken, or is that a requirement in early childhood education centres where there is no kindergarten program? Often childcare centres have drop-offs and pick-ups, basically. They go off to the kindergarten and then they get picked up and brought back. If there is no kindergarten program, are they required to have an early childhood teacher, or is it business as usual for early childhood education centres that do not offer a five-year-olds kindergarten program? That is really my question. That would mitigate concerns about cost. There is some belief that there will suddenly be a greater impact on Western Australian early childhood education centres. Certainly, from what I have read, the impact will in fact be quite minimal. The impact may be that they will now be required to have a qualified worker over the lunch period, which is frankly probably a good idea, given the health and safety considerations, but I am not entirely sure about that. I suppose I just want a little more of a discussion about how that will impact.

I commend the bill and the fact that we have come to this point. We earlier debated other regulations and most of us said that this is really the bill that we wanted to debate; these are actually the reforms that we want to see. Like my colleague the member for Kwinana, I endorse the United Voice campaign for increased recognition of the profession of early childhood educator. That recognition should also extend to commensurate wages and conditions. That seems to be something that is recognised by the Productivity Commission. The federal government's interim response was that there were more things involved in it, but I am sure that, given its support for the recent community sector workers pay equity case, it will see the worth and the value of the campaign.

In fact, one of the interesting things that the Productivity Commission report revealed was that the early childhood education workforce is overwhelmingly female—97 per cent—but is not homogenous. There are two distinct groups of early childhood education workers, service directors, teachers and educators. This is an issue that we need to look at in Western Australia, because there is currently a 27 per cent pay gap here. A high percentage of women are working as professionals but are frankly being underpaid. I commend the bill to the house.

DR J.M. WOOLLARD (Alfred Cove) [4.47 pm]: I am not going to speak for long on the Education and Care Services National Law (WA) Bill 2011. I agree that we need national quality standards and I agree with the principles and objectives of this legislation. As members know, I am always very reluctant to hand over to the federal government powers that I think should be kept by the state government. Then again, as the member for Nollamara pointed out, this is a \$27 billion investment by the federal government into this area, and we obviously need a big investment if we are going to improve standards for centre-based care, outside school hours care and family day care. I understand, therefore, why the government supports this national agenda.

I have a concern about clause 288, “Double jeopardy”, that I would like to minister to address. It states —

If a person has been convicted or found guilty in another participating jurisdiction for an offence against this Law as it applies in that jurisdiction, proceedings cannot be brought in this jurisdiction against the same person in respect of an offence concerning the same subject-matter.

The term “same subject matter” is used. The offences listed in part 6 of the bill include the offence of operating education and care services without a nominated supervisor, the offence of inadequately supervising children, the offence of using inappropriate discipline and the offences relating to the direction to exclude inappropriate persons from education and care service premises. There is also clause 285, “Offences by bodies corporate”. My understanding is that this clause is meant to refer to the same offence. Double jeopardy is usually about the same offence. Therefore, if it is about the same offence, I believe the wording for this clause should be —

If a person has been convicted or found guilty in another participating jurisdiction for an offence against this Law as it applies in that jurisdiction, proceedings cannot be brought in this jurisdiction against the same person in respect of that offence.

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

That would mean that we are not taking someone back for the same offence that maybe they committed in another state. But in the way it is worded at the moment, where it says the “same subject-matter”, my concern is that that leaves it open for people to say, “Look, you can’t take me to court for inadequately supervising children, because I was convicted of that in Victoria or Queensland.”

I hope my understanding of this clause is incorrect. Possibly, the minister will make it very clear—I would be quite happy to take an interjection from the minister rather than having to go into consideration in detail. Would the minister like to interject now?

Mr J.H.D. Day interjected.

Dr J.M. WOOLLARD: Hopefully, then, the minister in his response will allay my concerns in relation to this clause. Otherwise, I would like us to go into consideration in detail, because I am very concerned that where it currently says, “concerning the same subject-matter”, it basically rules out someone being convicted of an offence—one of the offences under part 6 of this legislation, which contains clauses 161 to 175, or under clause 285. I believe that that should be the same person in respect of that offence rather than in respect of an offence concerning the same subject matter.

That being the case and with a \$27 billion investment by the federal government, I can see why the government is supporting this legislation. But along with the national registration of nurses and doctors and the moves to move legislation over to the federal government, I do not think we should be doing that. I think we should be saying that these are the standards that we want in this area, and I think that this government, or whoever is in government in WA, should be ensuring that these standards are reached, be they for centre-based care, outside school hours care or family day care.

MS L.L. BAKER (Maylands) [4.53 pm]: I have just a few short sentences to contribute to the debate on the Education and Care Services National Law (WA) Bill 2011. I would have preferred to spend quite a significant amount of time on this legislation, because, whilst it holds some very positive things for the industry across Australia and Western Australia, there are some inherent problems, as there often are with this kind of uniform legislation. I understand that it will go before the upper house Standing Committee on Uniform Legislation and Statutes Review anyway, so that will be a good step.

Legislation that deals with the 14 000 workers in the early childhood education and care workforce in Western Australia—these are very low-paid workers—is clearly going to attract the attention of someone from this side of the house who is concerned about low-paid workers. Indeed most people on this side of the house are very concerned, but I am particularly concerned about this area from a long time working with the community sector and understanding the challenges that it faces. Only two weekends ago I was speaking to a friend of mine who is 67 years of age and works in a childcare centre for the City of Swan. She earns about \$31 000 a year. I was asking her when she intended to retire. She keeps going to see her accountant in Midland, who keeps saying, “I think you have to work a bit longer.” She is on her own. How anyone can survive on \$31 000 a year is, to me, a remarkable feat on its own. But that is the plight of just one person in an industry that has, as I said, about 14 000 workers in it.

The challenges of this bill are not just that it impacts on some of the most low paid workers in our employment, but also that it is legislation that defines how our children are treated and how they are cared for. The great hope is that the quality standards that are being brought in nationally will be very positive for the industry, and I am looking forward to that, as indeed are many in the community sector. The private sector of child care is a bit more hesitant and has made some threats about charges to parents needing to be increased as a result of this. I would be very keen to see the financial modelling that WA has done on the potential costs of this system. We have tried to see this information with very little success; it would be very good to see it so that we can have some assurance that we know how these costs will impact both the private and the community sectors. Given that I have only a few minutes, I will not go into any great detail about what we do know about the costs; I just ask the minister whether it is possible to table that report, or at least release it, so that we could look at it.

There is another issue of concern. It is a great opportunity, but a deep concern if we are not ready for it. I know that the department has done some good preparatory work in this area. The challenge will be whether we are prepared to meet the demand for training and accreditation that follows these standards. For instance, a high level of qualification will be needed. Fifty per cent of staff will need a certificate III qualification and childcare premises will need to have a degree-qualified teacher on staff. That will have an impost, not just on the front end, but also on the back end of the system. Having worked for many years with wonderful educators such as Maria Harries from the University of Western Australia, I am very aware that over a long history we have been struggling to change the curriculum, to keep up with the demand and to bring students into child care. Because it has been such a poorly paid profession, it has been very difficult to continue to keep the workforce coming

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

through. I think that will be a great challenge for us in the future. We have heard mention of the other changes around the childcare worker ratios that come out of this legislation. There will need to be 100 per cent cover in every room, every day, which of course means that the cover over a lunchbreak will be a very different scenario from that which these centres have experienced in the past. It will be interesting for me to see how the private sector in particular will react. I am very aware that the community system has had some very high standards in this area for a long time. I am very keen to see how the private sector will react in this area, and it will be a challenge. I understand that the minister has given us a bit of grace in the transition for the centres so that they have time in which to comply with that element of legislation. Still, it would be challenging to get the staffing right. Where will the workforce come from? Have UWA and the other institutions been adequately prepared for these changes? Where will we get the people to staff the centres?

There are two things I leave the minister with. Firstly, can we look at this financial modelling, given that the state is clearly incredibly supportive of the changes that will be driven by this and recognises the good components of it? Let us look at the modelling so that we know clearly how to talk publicly about this with the sector and with our community. Secondly, what are the arrangements in the state workforce training sector to ensure staff are in the new centres?

MR J.H.D. DAY (Kalamunda — Minister for Planning) [4.59 pm] — in reply: I thank members who have contributed to this debate and in particular the members of the opposition for their support of the Education and Care Services National Law (WA) Bill 2011. As has been mentioned, the bill has the effect of putting in place a national licensing system for child care across Australia. It is part of an agreement that I presume has been worked out over a number of years, and the legislation, although it is Western Australian, is putting into effect a national regulatory system. That system is certainly supported across all of Australia, of course, and I understand that Western Australia is the last jurisdiction to put this legislation into effect.

Some specific questions raised by those who spoke in the debate were about the additional cost of childcare services that are expected as a result of this new system coming into effect. I am advised that the expected cost ultimately in Western Australia is \$1.83 per child per day. That is lower than in some other states because the existing standards in Western Australia are higher than is the case in some other jurisdictions; therefore, the increase in costs expected in this state is not as high as may be the case in some other jurisdictions. It is expected to be \$1.83 per day in Western Australia. The member for Maylands asked whether I could table the modelling of how that was determined. I do not have that; I think that is something that the minister herself would need to deal with, and perhaps that could be inquired about when the debate is underway in the Legislative Council. It is not something that I have at the moment.

Some other points were raised. The member for Alfred Cove asked a question about clause 288, which deals with double jeopardy. This provision is in the bill in the context of each jurisdiction having its own regulator applying and enforcing the same law nationally; therefore, it ensures that if a provider is convicted in one jurisdiction for a breach of the law, the provider cannot be prosecuted in another jurisdiction on the same facts for the same breach. I think that is a matter of commonsense really. It would be unfair if some body or corporation was prosecuted in a jurisdiction if it had already been prosecuted in another jurisdiction for the same incident.

Dr J.M. Woollard: Minister, the way it's worded at the moment leaves it unclear. Now you've stated that it is the same matter for the same breach. That's why I had suggested it would be the same person in respect of that event. But you've now clarified that for the house, so the wording doesn't need to be changed, because if it goes to court, your comments in fact now, I guess, give direction to the court.

Mr J.H.D. DAY: That is clearly the intention, as I explained.

The member for Nollamara asked about relief being provided over the lunchbreak. One of the changes is that the 100 per cent staffing level is being phased in. That will be required by 2014, so it is a change that is happening on a gradual basis. Presumably, relief would have to be provided if people need to take lunchbreaks.

Ms J.M. Freeman: Minister, what interests me is that you always had to have a childcare worker in the room when kids were asleep over the lunchbreak. You've always got to have a childcare worker, even if the kids are asleep. If it is 100 per cent coverage, does that mean it is 100 per cent coverage of a qualified childcare worker in that period? Is that the change? It's because they cannot use a certificate III childcare worker any longer; they have to have a qualified childcare worker. So is that a diploma worker or a teacher?

Mr J.H.D. DAY: It is my understanding that it needs to be a qualified childcare worker.

Ms J.M. Freeman: Not a teacher, just a qualified childcare worker; so, the \$21 an hour worker versus the \$17 an hour worker.

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

Mr J.H.D. DAY: I am looking for signals from the back of the room—yes, that is my understanding.

Ms J.M. Freeman: So, the \$21 an hour worker versus the \$17 an hour worker for one hour in a day.

Mr J.H.D. DAY: Somebody will bring me a note and that will explain things in a moment, hopefully!

I understand that the member also raised the issue of ratios. The intention with this legislation is that the ratio of one worker to 10 children for non-school based childcare centres does not change; the one to 30 ratio is for school-based programs and not for childcare programs.

Ms J.M. Freeman: Sorry; for non-school based early education centres, the new childcare centres, you do not have to have a teacher. Can you just read that to me again?

Mr J.H.D. DAY: The ratio of one, presumably qualified, worker to 10 children is not changing as a result of this legislation.

Ms J.M. Freeman: Yes. So if it is a non-school based childcare centre, there is no requirement to bring in a teacher; it is only where there is kindergarten that you have to bring in a teacher. That has always been the case in Western Australia. If a childcare centre has kindergarten, it has to have a teacher. So there is no change. The only change is the \$17 an hour worker versus the \$21 an hour worker over an hour lunchbreak. They usually have a half-hour lunchbreak.

Mr J.H.D. DAY: I am sure the member explains it well. She is obviously a lot closer to this sector than I am.

Mr R.H. Cook: I am satisfied now that we can move on.

Mr J.H.D. DAY: In relation to lunchbreak qualifications, I am advised that no change to the staff-child ratio or qualification requirements over the lunchbreak will apply until 1 July 2014. The regulations that will then follow will increase the staff-child ratio over the lunchbreak period from 60 per cent to 100 per cent from that date. There is no qualification change as a result of the broader requirements.

Mr R.H. Cook: Excellent. Good work.

Mr J.H.D. DAY: I am glad that the member for Kwinana understands. I think that responds to most of the questions asked.

Dr J.M. Woollard: Minister, in relation to the costs, will there be a review of this act in three or four years so that we can see what the costs to WA are?

Mr J.H.D. DAY: There will be a review. I am not sure whether it is provided for in the —

A member: It is provided for.

Mr J.H.D. DAY: It is provided for in the bill.

Dr J.M. Woollard: I missed it.

Mr J.H.D. DAY: If the member looks through the index, she will no doubt find when a review will be undertaken.

Dr J.M. Woollard: I have just seen it, minister.

Mr J.H.D. DAY: Good. I think that answers most of the specific points raised in the debate, and I thank members for their contributions and assistance in ensuring this bill has an expeditious passage through this house at least.

Question put and passed.

Bill read a second time.

Leave granted to proceed forthwith to third reading.

Third Reading

MR J.H.D. DAY (Kalamunda — Minister for Planning) [5.08 pm]: I move —

That the bill be now read a third time.

DR M.D. NAHAN (Riverton) [5.08 pm]: I will make some comments on the Education and Care Services National Law (WA) Bill 2011 and its general role. Child care is an extremely important service. Many of us have experienced it through our own children and in our electorates. I have discussed this extensively with the childcare centre operators in my electorate and, generally, they support the legislation. However, they have some concerns and I need to express both their concerns and my concerns about this issue. The concern is not that we have a uniform approach—although I would have some trouble with that, albeit, it can work in some areas—or

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

that we want to expand the quality of care in terms of education. I accept that, although my own experience is that greater diversity is needed. My concern largely lies with the cost of this. We all know that the cost of living in Western Australia is exceedingly high. The cost of child care is a very large portion of the cost of living for many families, particularly in my electorate. Very large subsidies are provided to childcare centres in Western Australia and around the nation, but they are limited. The commonwealth childcare rebate is limited to \$7 500. The cost of child care for many families is significantly higher than that. I am very concerned that the cost impact on families as a result of the national accreditation provided for in this bill has been significantly underestimated. As the member for Nollamara hinted, and others may have, Fair Work Australia has a series of arrangements underway to substantially increase the wages of certain types of workers, including low-paid women mainly working in areas such as aged care and child care. I am not making a statement. The people who work in childcare centres are low paid, and they need higher wages. I understand that there is a movement underway in Fair Work Australia for a 50 per cent increase in the wages of childcare workers. That is the claim. Whether it will be adjudicated, I do not know. When an across-the-board 50 per cent increase is combined with this legislation, which seeks to increase staffing levels, accreditation levels and, therefore, wage rates—I note a similar decision recently for an 18 to 41 per cent increase in wages for certain allied industries —

Ms J.M. Freeman: Over 10 years!

Dr M.D. NAHAN: I know. This could substantially increase the cost of child care for families above the level subsidised by the commonwealth. I cannot emphasise enough the importance of minimising that impact. The minister has stated that the Western Australian government will pressure the commonwealth government to meet any cost of the increase for parents as a result of the requirements of the national quality framework. I support the legislation on that basis, but we have to recognise that this is part of the scissors. This is quality improvement and national regulation. At the same time, there is a bona fide push to substantially increase the wages of people who work in childcare centres. Those factors, taken together, will significantly increase the cost.

Ms J.M. Freeman: Do you support an increase in childcare workers' wages?

The SPEAKER: Member for Nollamara!

Dr M.D. NAHAN: Yes, I have stated that, but I do not know what that should be. All I am saying is that these factors, taken together, will place a significant impost on families that dwarfs anything that we have done in this house. We must demand that the commonwealth meet in full the cost of this legislation and allied wage movements. The commonwealth's recent move to means-test the private health insurance rebate, which is currently not means-tested, just as the childcare rebate is not means-tested, means that we need a commitment from the commonwealth that, firstly, it will increase the childcare rebate to all families to meet the cost of this legislation, plus the cost of any wage increase, and, secondly, it will not means-test the childcare rebate. If we do not do that, and this legislation passes and the cost is imposed on families without any additional increase in subsidy, there will be great dislocation of not only families, but also childcare centres. The Barnett government has provided a very large increase of \$604 million over four years to non-profit organisations, including childcare centres. That money was significantly needed and welcomed.

Mr R.H. Cook: Their fees will probably have to go up to pay for their electricity bills that have gone up in the meantime as well, member!

Dr M.D. NAHAN: I know the member for Kwinana is trying to disrupt this debate. The member might not care about the childcare centres in his electorate, but, please, it is a big issue —

Mr R.H. Cook: I made a contribution to the second reading debate! Where were you?

Dr M.D. NAHAN: I was sitting here, and I would have. What is the member trying to do? Is he trying to ram it through? Is he trying to stop debate on this issue?

Mr R.H. Cook: No. It is your government's bill.

Dr M.D. NAHAN: Then be quiet!

The SPEAKER: Consider where you are, member for Riverton, and I will give you the call again.

Dr M.D. NAHAN: This is an important issue. I would have participated in the second reading debate, but the minister stood up more quickly than I thought he would. I need to express this, and I have made a commitment to people in my electorate and to my constituents that I would express these concerns, and they are very valid; I do not think anybody can debate them. Therefore, I go back to the issues.

The minister has made a commitment that he will push the commonwealth government to meet in full the increased cost to parents as a result of the requirements of this national quality framework. Fair enough. I respect that, and I support it. Secondly, we also need to get a commitment from the commonwealth government that it

Mr Roger Cook; Ms Janine Freeman; Dr Janet Woollard; Ms Lisa Baker; Mr John Day; Dr Mike Nahan; Mr Joe Francis; Mr Paul Miles

will meet, in full, any wage increases that will be promoted for childcare workers; otherwise, how are these increased costs going to be met? Okay? We also need to get a commitment from the commonwealth government to look at the childcare rebate, which now is not means tested but is capped at \$7 500. I understand that the commonwealth has an early childhood proposal. I do not know the full details of that. Maybe the minister can give us an answer about whether the commonwealth, in its program for early childhood education, is considering increasing the childcare rebate maximum. It should be increased substantially. But also, we need a commitment from the commonwealth that it will not means test the childcare rebate, as it has done with the private health insurance rebate. We have had debates about the impact of cost-of-living increases on families, and we have heard a lot about electricity and other costs. This will dwarf any impact on families from other things. This is the largest potential threat to families in terms of cost of living. It can be ameliorated, and it can be met, but we need to have commitments, budgetary and otherwise, from the commonwealth.

MR J.M. FRANCIS (Jandakot) [5.17 pm]: I wish to make two quick observations in support of the Education and Care Services National Law (WA) Bill. I do not mean to bring new information into a third reading debate, but I do need to raise these two points. Firstly, I am all for increasing the standard of teaching, and especially the teaching that is provided to very young kids. But I do have a little concern that when we increase the standard in any industry, the automatic response is that it costs money to do that. I am very concerned that the commonwealth may renege on this deal. Therefore, it is very important that the commonwealth sticks to its word on this matter. I say that because if we increase the cost of providing child care, the people who will struggle the most to pay will be the lower income earners in our community. My fear about that is that there will be an increase in what I call, rightly or wrongly, black market child care. Parents will still go to work, but instead of putting their kid in childcare centres, they will dump them with relatives, neighbours or aunts who have absolutely no qualification in child care. I am a little concerned that that may happen.

In closing, I also want to put on notice that I have already seen leaflets distributed to parents by some of the childcare centres in my electorate, which have increased their fees already and are blaming this piece of legislation for that increase. That started three or four months ago, and I am happy to bring in those leaflets and show them to the member for Nollamara. I do not think it is right for some childcare centres to use this legislation as an excuse to price gouge already. I know that there will be some pressures, and that will put up the price of child care. I accept that. But when a standard has not yet been implemented, I think it is a bit rich for childcare centres to use the state government, or the federal government, for that matter, as an excuse to increase their fees as of the end of last year, and I think they should stand slightly condemned for that action.

MR P.T. MILES (Wanneroo) [5.20 pm]: I, too, wish to put on the record my deep concerns about the actual rebates that could come back from the federal government. I totally concur with my colleagues the members for Riverton and Jandakot. This has been an issue for me as a parent, as it has for others in this house who have children who go to either after-school care or before-school care. In this place we get a reasonable sum to pay those fees, but I can tell members that there are parents of children at my son's school who struggle to pay childcare fees. They are struggling to make a decision whether to stay at work or to quit. As the member for Jandakot clearly made out, fees are getting to such a level that parents are turning to backyard day care nurseries. One parent, who might work from home, may take in five or six children, offering a very cheap rate to look after those children. There are all sorts of issues with that, including houses not being set up safely for these people to look after children; that is, they do not have safety glass or they may have unsafe swimming pools. Lots of dangers are involved. The other big market that has been touted around my area, and some members here may have the same information, is that all of a sudden we are getting a lot of au pairs from European countries. They are very cheap—\$300 a week. Parents just have to supply board and lodging. They will obviously babysit children morning, noon and night while parents work or do whatever else needs to be done.

I want to register my concerns. I think the federal government will take the rebates away. At the moment it is a 50 per cent rebate, up to \$7 500. That sounds like a lot of money to some people, but it is not when we are paying people to look after our children while we can start building this nation and this state.

Question put and passed.

Bill read a third time and transmitted to the Council.