



Childcare Association of WA Inc (CAWA)

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Standing Committee on Uniform Legislation and Statutes Review

The Childcare Association of WA Inc would appear before the Committee if required.

Response to the Inquiry into Education and Care Services National Law (WA) Bill 2011

Background

The Childcare Association of WA Inc (CAWA) represents providers of Western Australia's long day childcare places, 3 year old Kindy programs and Outside School Hours Care (private and community).

CAWA supports the intent of the COAG reforms to encourage the sector to continue to provide superior care and early learning for all children in formal care. We are committed to working with the Government to ensure policies to improve the quality of care and the qualifications of the staff caring for them can be achieved. However, we remain concerned that the proposed National Regulations will have unintended consequences for the very children and parents the Government is trying to help and, at the same time, will place a significant administrative and financial burden on the childcare sector, and, more importantly, on families.

CAWA is also concerned with the lack of time given for a written submission. The letter received inviting a written submission was dated 12th March 2012 and received on the 15th March 2012 – with just 7 working days before the due date of submission. Given the Education and Care Services National Law (WA) Bill 2011 is 236 pages long – and will dramatically change the way the sector operates – CAWA considers this to be an unreasonable period of time for the sector to adequately consider the detail included in the document. Note: In 2006 when WA's regulations were reviewed not enough consultation time was given to that review and subsequently unintended requirements/regulations were written and Licensing had to turn a blind eye to some before parliament amended the unintended mistakes.

We are very concerned with the limited time period given for review and considering past experiences we wonder why there is such a rush to get these reforms through? The WA Government at this stage of draft legislation can offer longer implementation periods so the reforms to be introduced do not impact families with the certain unavoidable increase in costs. By having a longer implementation period it will not only benefit the families who use care but also a sector that is already at the forefront with high standards, in particular our current staff to child ratios, and also a sector which is working towards all staff being qualified.

We believe that it is not a uniform system with each State and Territory having their own specific regulations kept in place, so this is a great reason for WA to slow down the process and look at what is realistic for the WA sector and the families who rely on the already high quality of care their children receive.

We wonder who will take financial responsibility once these laws have been passed if Federal Government does not assist families and services with the certain increase in cost of the extra staff that will be required with these reforms. It will fall on the State Governments to fund these cost imposts as families **cannot** afford to do so and services will have no option but to pass these costs on.

This paper summarises some of the sectors main concerns with respect to the impact of the National Regulations:

- **Increase in cost to families already struggling with their day to day cost of living**
- **Workforce issues**
- **There is no National Uniformity, which as we understand it was the whole reason in bringing in a National Regulation**
- **Already poor communication received from both the National & State Regulatory Bodies**
- **Overseas qualifications time to approve is up to 3 months (how does this assist a sector that is already struggling with recruiting quality staff?) this was not the case when handled by WA, the turnaround period was 1 – 4 weeks.**
- **15 hours Universal Access with no funding put towards WA’s Early Learning Centres to assist them in part-funding and recruiting an Early Childhood Teacher**
- **No extra Federal funding available for services or families to implement or assist**
- **Timing and consultation for implementation**
- **No real guidance or support given to the sector in implementing reforms**
- **More administration required, so less time on the floor with the children**

Increased family costs and loss of affordability

As outlined above, CAWA supports the Government’s intent of continuous improvement to the standard of childcare services in Australia. However, we believe that the proposed Regulations will be such an administrative and financial burden that the costs of some of these reforms will ultimately outweigh the benefits. The problem is not cost and price rises *as such*. The problem is that ‘unprotected’ reforms will not keep quality improvements in balance with parent affordability and accessibility.

The worst hit families of these reforms will be the middle income earners as many do not qualify for Child Care Benefits or only receive minimal assistance.

Staff Shortages

Clause 169-The current mismatch between the Regulations and the absence of adequately qualified staff numbers must be addressed. The Department of Employment, Education and Workplace Relations skills shortage survey shows only 54 per cent of childcare worker job vacancies were filled in 2010 – a problem that is most keenly felt in rural, remote and Urban Fringe areas. This Australia-wide staff shortage has existed for many years now and the current shortages have not been fixed/met to date so the sector is concerned with its ability to cope with the increased requirements for qualified staff and more of them. It is CAWA’s view that the regulatory changes can only be successfully implemented when increased suitably competent staff is actually available.

A full review of Childcare Training is required, as many centres are faced with applicants applying for jobs that have a qualification but are found to be incompetent.-Better quality training needs to be in place to ensure we

have good quality Certificate 111 & Diploma trained staff. The training packages need to be overhauled. Many services are interviewing potential carers who have completed their Certificate 111 but are illiterate. A Certificate 111 can be gained online or in a short period which does not give the carer the real world requirements to work with children.

Clause 169-The proposal of 100% staff at all times has major implications for the sector and families. WA currently has an allowance of 60% over the lunch period, which was brought in due to the serious workforce issue that the sector was facing and still faces today. Whilst we agree that 100% staff at all times is the way to go in the future it is an area that cannot be fixed until workforce issues no longer exist and Government increases financial assistance to families. Therefore we need to keep this 60% over the lunch period indefinitely until a realistic and affordable solution can be found.

Clause 169-The regulation for all services to employ at least one Early Childhood Teacher (ECT) is simply not feasible with only 10 per cent of staff in the sector currently having an early childhood teaching qualification. CAWA estimates that at least 400+ additional Early Childhood Teachers will be needed to meet the new regulations by 2014, and further ECT's will be required for centres with 60 or more children in 2020 and, therefore, both the nature and timing of this element of the regulations must be urgently reviewed. A longer implementation period than currently exists is required In particular in WA as we already have fully funded Kindergarten in our schools. If the Early Childhood Sector is expected to have qualified ECTs funding will need to be allocated to the services to help recruit and pay for this large increase in cost so that the burden does not fall on families.

In addition to having an Early Childhood Teacher, from January 2014 every Childcare Educator employed in the sector will require the minimum of a Certificate III in Children's Services. However, current figures show that more than 30 per cent of the workforce has **no** formal qualification even though many are rich in life experience and are a vital part of many services. So they will no longer be recognised unless they complete a Certificate 111 in Children's Services or have been in continuous employment at a service for 15 years; therefore a plan to continue to utilise these wonderful carers needs to be considered.

How is the Government going to assist centres with up skilling staff, with better Quality Training than that is which offered?

Staffing arrangements

The National Law provides that an approved provider must ensure that whenever children are being educated and cared for, the relevant educator-to-child ratio is maintained at all times and that the service meets the qualification requirements as set out in the National Regulations.

CAWA believes the application of 100% educator-to-child ratios at all times, including lunch breaks, and replacing them with the same qualified staff is unworkable. Services already struggle to recruit staff – let alone qualified staff – and this problem would be significantly enhanced if educator ratios were to apply at all times. This will further increase costs to families as more staff will be required **if** they can be found. We cannot attract enough Diploma qualified staff to fill a normal shift let alone finding a minimum of two or three with the correct qualification willing to work 2 hours a day from 12pm to 2pm to cover lunch breaks. WA has to

keep the current regulation allowing services to operate over the lunch period with 60% of staff. The current system is working well now and not affecting the health and safety of the children in care. If we do not keep this current regulation in it will cost families in Western Australia anywhere from \$4 - \$8 a day per child, as staff wages will increase significantly once all staff have their qualifications and we are meeting staff to child ratios over the lunch period. The introduction of an Early Childhood Teacher will further increase the cost to families. We are looking at an increase of \$15 - \$30 a day at least once all these reforms have been introduced.

The requirement to have an Early Childhood Teacher (ECT) physically present on site for at least six hours per day in services that are licensed for more than 25 children at the centre will exacerbate the already serious problem facing the sector in recruitment, retention and cost of qualified staff and is a cause for serious concerns

Will the Government provide access and funding for an Early Childhood Teacher, as families can ill afford this cost?

Services with less than 25 preschool age and under; Must have access to an Early Childhood Teacher for some of the time.

Will the Government provide a means of access to an Early Childhood Teacher in some format for smaller centres?

There are many issues for services with this new regulation.

- Cost to families
- Attraction to the sector
- Retention
- Compliance (A centre will need to train an ECT in the complexities of working in a Long Day Care)

We recommend that the teacher requirements are delayed until an appropriate solution is found or funding is provided to **ALL** services not just schools.

1. Each State & Territory was given Federal funding to implement the 15 hours Universal Access. Will our Government be making funding available to WA services who require an Early Childhood Teacher as part of the new Reforms, as per other States?
2. Will our Government explore the idea of using a 'bonded HECS' arrangement. Essentially, we envisage that a student would be assisted with a HECS type arrangement, but with the additional element that the student would be bonded to remain in the child care sector for a specified period.

You would also be aware that the Union is asking Federal Government to fund a 50% increase to Child Care wages, with a Federal Government trying to get their budget in surplus extra money for wages will not be coming from there. The Federal Government has also indicated they will not be passing on any further assistance to families and have recently mentioned in a Media Release *“One of the last areas of so-called middle-class welfare yet to be means tested is the 50 per cent childcare rebate. This allowance is under consideration by cabinet's razor gang but no decision has been made”*. Given the possibility of the wage increase having to be funded by the sector and the chance that the Child Care Rebate could be means tested, families all around Australia would

no longer be able to afford to have their child/children in care, this would be a disaster not just for the families that rely and need this care but for the economy as a whole.

Authorised officers

Clause 195-There is great concern in the industry that the National Agenda will be hindered by the Authorised Assessors working under each State/Territory jurisdiction. Qualification levels for these Assessors have not been determined and at the present time it appears that the qualification level will be lower than those required across all sectors. The concern is that this unqualified Assessor can determine whether or not a program is provided to meet the standards when she/he may never have delivered a program themselves. This could apply to many other of the Standards.

What has been put in place to ensure the sector is not faced with under trained Authorised Officers, as ACECQA has not provided a guideline of qualifications for this position yet?

Support for Services in Implementing Regulations

It is very clear from the draft Regulations that the administrative burden on centres resulting from the Reforms will be significant. CAWA believes the Government needs to provide assistance – practical and financial – to the sector to ensure the smooth transition of the Regulations. This assistance should include support to individual services in developing policies and procedures to ensure they are ready, this has not been the case so far.

CAWA also has serious concerns about the potential cost of compliance arising from the Regulations. The new standards will require copious amounts of additional paperwork e.g. the Risk Management process, additional Professional Development for all staff, creation of new documents etc., which will incur costs as the more time that is required for administrative procedures; means more time off the floor and further staff will be required.

In closing: CAWA would like to see the WA Government consider history and slow down these Reforms to ensure due consideration is given to our concerns outlined herein and to stand up for families and the sector, making sure these Reforms are implemented in a way that is responsible and financially sound for all involved.