



17 February 2014

Committee Secretary
Senate Education and Employment Committees
PO Box 6100
Parliament House
CANBERRA ACT 2600

To whom it may concern

Senate Inquiry: The immediate future of the childcare sector in Australia

Thank you for the opportunity to provide comment to the inquiry into the immediate future of the childcare sector in Australia. I note that the inquiry has particular reference to:

- Cost and availability for parents over the short term, including the effectiveness of the current government rebates;
- Administrative burden, including the impact of the introduction of the National Quality Framework;
- The current regulatory environment and the impact on children, educators and service operators;
- How the childcare sector can be strengthened in the short term to boost Australia's productivity and workplace participation for parents; and
- Any related matters.

The Local Government Association of Queensland (LGAQ) has recently contributed to the Australian Local Government Association's (ALGA) submission to the Productivity Commission inquiry into childcare and early learning, and this is enclosed as attachment 1.

In addition, the LGAQ has advocated on the need for greater flexibility for local governments as childcare providers particularly in rural and remote areas, as they not only face complex and difficult issues but are often the sole providers of childcare in their communities. Challenges include skill shortages, attraction and retention of suitably qualified providers, lack of services, and lifestyle issues.

A template letter, sent to all Queensland Senators on 12 December 2012, is enclosed as attachment 2. This letter highlights the experiences and struggles of 2 specific Queensland remote councils. The LGAQ has recently received the advice that Croydon Shire Council has elected to now close its childcare services – the only services available in their Shire.

In May 2013, the Queensland State Government reviewed their Education and Care Services Bill. The LGAQ took the opportunity to provide a response (attachment 3), as while the State legislation does not specifically cover the childcare providers operating in the rural and remote areas, it was still appropriate to raise these issues for the State Government to consider at the time to avoid any unintended impacts of the proposed legislation.

After the Federal election in September 2013, the LGAQ wrote to the Hon Sussan Ley, Assistant Minister for Education, providing information and background on the greater flexibility needed for the successful operation of the National Framework in rural and remote communities (attachment 4). I enclose the Assistant Minister's response for your information (attachment 5).

We are pleased to note that the Queensland Minister for Education, Training and Employment, the Hon John-Paul Langbroek MP, at the meeting of the Standing Council on



School Education and Early Childhood on 29 November 2013, committed to work with his counterparts and colleagues to improve the operation of the National Framework and to reduce regulatory burden on the sector, particularly for rural and remote locations (attachment 6).

The LGAQ hopes that the outcomes of the Productivity Commission Inquiry and the two current Senate inquiries lead to a comprehensive review of the National Quality Framework to ensure all children receive equitable access to quality services, regardless of their location in Queensland.

If you require more information, please do not hesitate to contact Beth Norman, Executive Officer – Advocacy, at either beth_norman@lgaq.asn.au or on (07) 3000 2245.

Yours sincerely

GREG HOFFMAN PSM
GENERAL MANAGER – ADVOCACY



AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

ALGA Submission to the Productivity Commission Childcare Inquiry

Via email to: childcare@pc.gov.au

The Australian Local Government Association (ALGA) welcomes the opportunity to make a submission to the Productivity Commission's Childcare Inquiry to examine and identify future options for childcare and early learning which:

- support workforce participation particularly for women;
- address children's learning and development needs;
- are more flexible, including flexibility to meet the needs of families with non-standard work hours, disadvantaged children and regional families; and
- are based on appropriate and fiscally sustainable funding arrangements that better support flexible, affordable and accessible quality care and learning.

ALGA is the voice of local government in Australia, representing around 560 councils across the nation. In structure, ALGA is a federation of state and territory local government associations. This submission has been prepared in consultation with ALGA's members, and should be read in conjunction with any separate submissions received from state and territory associations as well as individual councils. ALGA's submission draws heavily on material provided by the Local Government Association of Queensland, highlighting problems in the provision of childcare in rural and remote areas.

The Australian Local Government Association's priorities over several years have focused on the financial sustainability of local government, and cost and responsibility shifting from other levels of government.

The Australian Local Government Association welcomes the intention of the National Quality Framework for early Childhood Education and Care and the National Partnership on Early Childhood Education to ensure a national approach to the regulation and quality assessment of early childhood education and childcare services. As the Productivity Commission Discussion Paper points out, almost all children in Australia participate in some form of childcare or early learning service at some point before starting school, making childcare an issue which affects almost every family in Australia. In principle, ALGA believes that childcare of a nationally acceptable minimum standard, should be available to all parents at a reasonable price, with a range of options available to suit parents' needs. Those able to afford, and who choose to pay for a specialised service, should not rely on government subsidies for this. Government (Commonwealth and state) assistance should be carefully targeted at those parents who genuinely require financial support for childcare and early learning programs. In addition sufficient government financial support should be provided to ensure that these services are provided to all children and families - particularly vulnerable families, those in rural/remote locations and other areas of market failure.

The Productivity Commission has been asked to examine how access to affordable, high quality childcare can contribute to increased participation in the workforce, particularly for women. In many families, the financial reality of housing mortgage and cost of living pressures, means that both parents need to work for some of the time, prior to the children attending full time school. Balancing the cost, available options and suitability of childcare, and flexibility in the workplace and financial bottom line (ie the woman being financially worse off by returning to work), is critical in addressing the issue of more women returning to the workforce. Local government employs almost 10 per cent of the public sector nationwide as well as voluntary workers. In rural and regional areas local government is one of the largest employers. Retaining a skilled workforce in rural areas is a major challenge facing local government and provision of childcare options to allow parents, particularly women, to return to the workforce is particularly important for these councils.

As the PC Discussion Paper points out, there is evidence to suggest that childcare does play an enabling role in allowing parents to participate in the labour market and that increasing the level of female participation in Australia to that of Canada would increase GDP by about \$25 billion in a decade. There is then the potential for these revenue benefits to be shared or redistributed to provide further public childcare, particularly to address market failure.

The role and involvement of local government in childcare

The PC Childcare inquiry discussion paper describes the role of local government as follows:

"The role of local governments varies considerably from jurisdiction to jurisdiction, but support for ECEC services includes:

- *subsidised or free access to buildings for childcare services (either on a casual or permanent basis)*
- *direct provision of childcare services - particularly the operation of occasional care and mobile care services*
- *special services for children with special needs - eg Central Desert Shire Council (NT) manages several early childhood services in Indigenous communities*
- *support to childcare including toy and resource libraries and advice.*

In addition, some governments offer special allowances and other incentives to attract or retain workers in some rural and remote areas."

The PC's description of local government's role correctly summarises local government's role and involvement.

As highlighted in the Productivity Commission's March 2012 report *Performance Benchmarking of Australian Business Regulation: The Role of Local Government as a Regulator*, local government is answerable to its respective state or territory government and its regulatory activities are primarily to enforce state and territory laws. The PC benchmarking report acknowledges that local government is caught in a tug-of-war between strongly expressed local opinions and a growing list of responsibilities and requirements delegated by state government. The Commission also found that state governments are

giving insufficient attention to the capacities of local governments to fulfil the regulatory roles given to them, and that when state governments delegate a new regulatory role there is a need to ensure local governments have the resources, knowledge and skills to administer the new regulation.

Despite there being no legislatively prescribed role for local government in childcare, local government is involved in implementing state legislation and the extent of involvement varies due to differences in state legislation and regulations, and also from council to council, depending on the resources and capacity of each council.

For example, Tasmania has only a few councils offering services beyond family day care, whereas in Victoria, local government is a major provider, planner and coordinator of services for children and their families. Victorian councils invest heavily in early childhood infrastructure - 18 of the 79 councils in Victoria directly operate child care centres. All councils in Victoria undertake early years planning for their municipalities and many undertake precinct planning which includes ensuring that there is adequate childcare infrastructure for local neighbourhoods. The Growth Areas Authority in Victoria is an independent statutory body which facilitates faster decisions, better coordination and greater certainty for all parties involved in the planning and development of growth areas.

Councils respond to the specific needs of their communities, and when planning for childcare services strive to ensure that there is access for all families (including families who are difficult to service) and that services remain in the community over time and develop in a planned way. Leichhardt Municipal Council's 2013 Review of early education and care service delivery for children under school age in the Leichhardt Local Government Area is an excellent example of the planning and research undertaken by councils to understand and respond to the childcare needs of their communities.

A range of historical practice, legislative requirements and state government policy direction have shaped the role of local government in each jurisdiction. The needs of each community and the capacity of each individual council are further determinants of local government's involvement in childcare. In particular, local government in Victoria has played a large role in the children's service system and in 2005 was the largest single provider of early years services in Australia. During the 1970s and 1980s Victorian councils were instrumental in setting up community-based non-profit centre-based child care services. (*Municipal Association of Victoria Community Child Care - Local Government supporting Child Care Across Victoria, A Discussion Document, 2005*). In contrast, local government in other states are much less actively involved. In rural and regional areas, the situation is different again as the additional challenges faced by these communities often mean that market failure necessitates local government intervention and provision of services (normally provided by the private sector or other levels of government). Where council is required to fill this gap in services, ALGA believes it should be adequately funded by the Commonwealth or State Government to do so.

From a practical perspective, local government's involvement in childcare falls into two main components: planning and regulatory enforcement (implementing state laws in respect of planning etc); and as a childcare provider (owning a childcare centre and as a service provider).

Planning -

From a planning perspective, local government's responsibilities in childcare are determined by Commonwealth and State Government legislation and regulations. The most stringent requirements which apply to child care centres are State Regulations which restrict the scale of centres, specify requirements on open space and amenity/health issues.

In its planning role, it is important to state that local governments must balance a range of priorities in planning for their communities - aged care facilities, youth centres, affordable housing, retail, etc - of which childcare facilities are one component of the picture. Local government state associations have advised ALGA that State Government land-use planning supports childcare centres in most development zones (residential, commercial and industrial), but that parking and traffic flow to ensure the safety of children were the main issues - safe drop off and pickup, traffic flow and speed issues, particularly in residential areas. Councils are positioned to assess each proposed development in the context of the surrounding demographic and physical environment. Councils' primary role in land-use planning for childcare is concerned with externalities of the site.

In residential zones, childcare must be balanced with traffic and parking requirements as well as the demands and expectations of residents, and councils have an obligation to consult with residents. Limits to the size of childcare facilities in residential zones is a council planning response to balance the needs of providing childcare and meeting the needs of the community (preserving the amenity of residential areas and managing noise and traffic flow). For example Sutherland Council in NSW imposes a maximum 45 place limit on the development of new childcare centres, but there is no limit on the size of childcare developments in industrial or commercial zones. The most significant issue affecting successful operation of childcare centres in residential areas is ensuring that child safety is addressed in the design of the facility. Planning requirements in NSW for example, specify 1 parking space per 4 child placements, but they are rarely complied with as developers often apply for dispensation for street parking where council and residents have no objection.

It is vital that all levels of government work together to deliver the best childcare options for each community. Utilising local government's knowledge of its community and population projections can inform a timely response to future childcare demand. Victoria's Growth Areas Authority, which facilitates faster decisions, better coordination and greater certainty for all parties involved in the planning and development of growth areas, provides a useful model in the context of planning future childcare requirements. Partnerships Victoria in schools have two community-based long day care centres as part of the partnership and may have lessons for childcare.

Councils as service providers -

Some councils provide council-run childcare centres, although the overall number of councils which provide such services has dropped in recent years. In Victoria, where councils are most actively involved in childcare, 18 of the 79 councils now directly operate child care centres.

In Western Australia, 34 of the 940 Licensed Childcare Services (excluding Family Day Care) were licensed to Local Government according to the WA Department of Local Government and Communities' December 2013 figures. Of those 34, 17 are licensed to metropolitan Local Governments and 17 to regional Local Governments. The West Australian Local Government Association advises that the reason these centres remain Local Government licensed is due to commitments made by councils, or a lack of alternative child care available in the area.

Council-run services often fill a gap for children with complex needs and those families on low incomes. Councils have high demand for their services as they often pass on significant subsidies to users. Local Government New South Wales advises that nearby private centres do not have the same level of demand as council-owned facilities.

Private providers can refuse to take on children with challenging behaviours and there is a relatively good return on investment in inner metropolitan areas, where demand is higher due to the larger workforce, compared to outer less-affluent areas. Consequently, there is a lack of interest by developers in low socioeconomic areas, or greenfields sites in outer areas, regional or remote areas, as they do not consider the return on investment to be sufficient. However, councils cannot afford to establish new centres in these areas without increased resources, even if they already have significant investment in children's services.

Local government resources often rely significantly on rate revenue from the local community. The capacity for local government to maintain and upgrade ageing infrastructure in keeping with quality and regulatory requirements, without considerable government financial support, is a major issue for councils.

Local Government New South Wales also raised the issue of the price differentiation between care for 0-2 year olds, compared with 3-5 year olds, resulting in reports of a greater demand for the 0-2 age group, due in part to the lower supply because of higher staff ratios and greater service costs.

Regulatory variations between states

The variations between state government legislative requirements result in the role of local government being different from one state to another, and there are also differing requirements depending on whether it is a greenfield site or a retrofit of an existing building. A major challenge, in addition to land acquisition for childcare centres, is the regulation and cost involved in retrofitting existing buildings to make them suitable for childcare (e.g. access issues, safety, lead, asbestos, air traffic). In NSW, for example, developers are encouraged to go through a pre-DA process to ensure the quality of the facility proposed.

The differences in state government legislative requirements may in itself create duplication and inconsistency for developers of childcare centres wishing to establish centres in more than one state and lead to perceived regulatory barriers to the establishment of new childcare centres. More clarity surrounding the differences between states, possibly through a summary of the policy context and differences across jurisdictions, may be useful in ameliorating this.

The particular challenges facing rural and remote councils

Rural and remote councils face many more challenges than their urban counterparts. These communities can also be disadvantaged by having fewer council staff, resources and expertise. ALGA has consistently advocated for greater assistance for rural and remote councils in terms of resources and capacity building. The skill shortages in rural and remote communities is well documented, with councils often unable to offer suitable rates of pay in order to attract and retain qualified staff, as well as the lack of services and lifestyle options to induce people to relocate from larger cities. Councils often fill the gap in delivering a range of social and other services normally provided by the private sector in larger and more urbanised areas.

The Australian Centre for Excellence in Local Government (ACELG) outlined the problem that "rural-remote councils are commonly expected to provide a greater range of services than their regional and urban counterparts...[and] often assumed a 'provider of last resort' role in order to ensure the sustainability of small communities. These findings were highlighted in a March 2011 paper by the ACELG, *A Capacity Building Strategy for Rural-Remote and Indigenous Local Government*.

The paper concluded:

"In addition to the pressures of community expectations and withdrawal of services, the capacity of rural-remote and Indigenous councils is also challenged by unrealistic policies and demands of the other levels of government. The scoping studies in WA and Queensland particularly noted concern about 'one-size-fits-all' approaches taken by government agencies without due consideration of the appropriateness of the functions expected or the requests made of different rural-remote and Indigenous councils."

In many rural council areas, the council-run childcare centre is the only childcare centre in the area, where council steps in to fill the gap, or has to step in when other providers withdraw. This was demonstrated through the ABC failure, but more recently in Victoria where four rural councils have had to expend considerable resources to keep the only childcare centres in the towns going after a large provider pulled out of childcare provision in the region.

The Local Government Association of Queensland is of the view that consideration of the impacts of the National Quality Framework for Early Childhood Education did not adequately address the impacts it would have on rural and remote councils and communities when the policy was being formulated. The LGAQ wrote to all Queensland Senators in December 2012 to outline specific issues faced by rural and remote areas in the delivery of quality care for young children, requesting a review of the NQF to allow a more flexible approach in these communities with the possibility of permanent exemptions in certain circumstances for council-run centres in these locations. The LGAQ provided two examples of council-run centres struggling to replace or recruit staff with the required higher qualifications - Etheridge Shire Council (1400km from Brisbane, population 930) and Croydon Shire Council (2200km from Brisbane, population 270, 30% Indigenous). Unable to

recruit appropriately qualified staff to meet the requirements of the NQF, Croydon's 21 place child care centre and outside school hours program have both recently closed, leaving the community without childcare.

Closure of the childcare centre will impact the community, and is an example of workforce resource pressures being experienced by remote communities. It raises the need for an appropriate balance in providing much needed childcare, appropriate financial assistance to such councils, and regulatory requirements.

The Queensland Government has acknowledged the challenges which may be experienced in rural and remote communities and has initiated specific strategies to help rural and remote services recruit and up-skill staff (www.dete.qld.gov.au/earlychildhood/workforce/assistance-incentives.html) and allow a degree of flexibility around staffing (www.dete.qld.gov.au/earlychildhood/workforce/staffing-waiver.html).

Additionally, the COAG Standing Council on School Education and Early Childhood agreed at its meeting of 29 November 2013, to request senior officials undertaking work on transitional provisions to deal with workforce shortages, especially with early childhood teachers and educators, in rural and remote locations.

ALGA welcomes the Queensland Government initiatives and senior officials' work to deal with rural workforce shortages, and encourages the development of a national, more flexible policy solution which can assist rural councils across Australia.

Implementing the National Quality Framework

While the Australian Local Government Association welcomes the NQF reforms, which were designed to deliver a national standard of quality childcare, the implementation of new requirements has put increased pressure on council services in areas of compliance and policy review, without commensurate increase in support.

Councils providing childcare services will require more specialist support to ensure policies and procedures are NQF compliant and to ensure services are well placed to receive high quality ratings under the ratings system. ALGA understands that no additional State or Federal Government funding has been made available to services to alleviate the costs in making services NQF compliant.

Changes resulting from the introduction of the NQF are having impacts in many areas of childcare provision, including the interpretation of the regulations by developers, according to feedback for LGNSW. Councils in NSW have identified an increasing drop-out rate from Family Day Care Providers due to the requirements under the NQF.

Results of a recent (June 2013) survey conducted by the WA Local Government Association (WALGA) found some confusion across the sector, particularly in relation to Family Day Care, surrounding the legislative requirements and local planning and building requirements. This confusion may mean additional restrictions are being placed on Family Day Care

providers. WALGA's survey highlighted the need to further educate the sector about Family Day Care.

The Local Government Association of Queensland (LGAQ) has provided the example of Croydon Shire Council in Queensland having to close its childcare centre and outside school care program, despite trying for months to recruit an appropriately qualified childcare educator. The LGAQ has requested that its letter to all Queensland Senators in December 2012, outlining concerns regarding the difficulty of providing childcare services in and meeting NQF requirements in rural and remote areas, be attached to this submission (Attachment 1).

In order for councils to implement the additional requirements of the NQF, ALGA believes that councils should be given adequate assistance by the Commonwealth Government.

ALGA
3 February 2014

21 December 2012

Senator

Dear Senator

National Quality Framework for Early Childhood Education and Care

The National Quality Framework for Early Childhood Education and Care, implemented by the Australian Children's Education and Care Quality Authority in conjunction with the Regulatory Authorities in each State and Territory (the Office for Early Childhood Education and Care in Queensland), was introduced on 1 January 2012. It is a national approach to the regulation and quality assessment of early childhood education and care services, and applies to most long day care, family day care, preschool and kindergarten, and outside schools hours care services.

The Framework includes the following parts:

- A national legislative framework that creates a uniform national approach to the regulation and quality assessment of education and child care services in Australia;
- A National Quality Standard that sets a national benchmark for the quality of education and care services;
- A national quality rating and assessment process that rates services against the National Quality Standard and the national legislative framework.

The National Quality Standard has seven components:

- Educational program and practice;
- Children's health and safety;
- Physical environment;
- Staffing arrangements;
- Relationships with children;
- Collaborative partnerships with families and communities; and
- Leadership and service management.

The Local Government Association of Queensland (LGAQ) welcomes these reforms, which were designed to ensure a high national standardisation of quality care for young children. However, the LGAQ has some concerns regarding the application and inflexibility of new requirements that do not take into account individual circumstances.

Some rural Queensland councils have raised the problems associated with attraction and retention of suitably qualified childcare providers and directors with the LGAQ. This is a large problem shared by rural and remote councils through Australia, as these councils undertake a vital service for their communities – they are the primary organisations that sustain the social fabric of their rural communities, filling the gap in delivering human and other services that are normally provided by the private sector in larger and more urbanised areas.

There is a well-documented skill shortage in rural and remote communities, with councils often unable to offer suitable rates of pay in order to attract and retain qualified staff, as well as a lack of services and lifestyle issues in rural areas that can also impact.

This is currently the case in two particular councils – Etheridge Shire Council and Croydon Shire Council. The Etheridge Shire Council's childcare centre is located at Georgetown, which is approximately 1400kms from

Brisbane, 400kms from Cairns and 300kms from Normanton. Georgetown has a population of approximately 260, and is the administrative headquarters of the Etheridge Shire Council. The Shire has a total population of approximately 930. The Croydon Shire Council's childcare centre is located at Croydon, which is 2200kms from Brisbane by road. The Shire has a population of approximately 270, two-thirds of which live in Croydon and the rest on large cattle stations. Approximately one-third of residents are of Aboriginal or Torres Strait Islander origin. Croydon Shire residents are also some of the most disadvantaged in Queensland, with 67% of residents being in the most disadvantaged quintile compared with a 20% average across Queensland (this measure is based on socio-economic criteria, including income, level of education achieved, employment, housing and access to vehicles).

The director of the council-run childcare centre in Etheridge Shire Council recently resigned. In that case, due to the difficulties described above in recruiting an appropriate replacement, the council was granted an extension by the Office for Early Childhood Education and Care. Etheridge Shire Council is currently 4 months into a 6 month extension but is struggling to recruit a suitably qualified director. If a director for a childcare centre is not found, then the childcare centre will be closed.

Croydon Shire Council operates two services, a 21 place child care centre and an outside school hours care program. Of the 6 staff employed between the two services, 3 are currently on maternity leave, including the nominated supervisor and the senior certified supervisor. Due to the qualification requirements under the NQF (Regulation 302), Council has had to close one of the services for the last term to ensure the remaining service could remain open. Even then, Council had to seek an exemption from the regulator for not meeting the educational ratio of at least 50% of the educators being at least diploma qualified or enrolled with no staff currently meeting this qualification. An initial 5 day exemption was given by the Department which, on request, was extended to 28 January 2013 when the senior certified supervisor is due to return from maternity leave. The service will still not satisfy the regulation which is about educational quality and will have to seek further exemptions until the director returns in October 2013. Council has been attempting to fill the position of acting director since early October without success.

From 2014 when the requirement for centres to employ a 4-year qualified early childhood teacher commences, there will be a further financial impact on Council even if an alternative educational delivery mode is found.

As with many rural council areas, the council-run childcare centre is the only childcare centre in the area, and any resulting closure will have a great impact on the community.

In the LGAQ's Capacity Building Needs for Non-Amalgamated Councils report that was published in October 2009, LGAQ called for "a greater recognition of the capacity constraints in smaller councils, and possibly some exemptions from particular requirements...if sustainable local governance was to be achieved for these remote locations". In addition, the Australian Centre for Local Government Excellence's paper called A Capacity Building Strategy for Rural-Remote and Indigenous Local Government, published in March 2011, highlighted that "rural-remote councils are commonly expected to provide a greater range of services than their regional and urban counterparts... [and] often assumed a 'provider of last resort' role in order to ensure the sustainability of small communities." The paper stated:

"In addition to the pressures of community expectations and withdrawal of services, the capacity of rural-remote and Indigenous councils is also challenged by unrealistic policies and demands of the other levels of government. The scoping studies in WA and Queensland particularly noted concern about 'one-size-fits-all' approaches taken by government agencies, without due consideration of the appropriateness of the functions expected or the requests made of different rural-remote and Indigenous councils."

The LGAQ believes that due consideration of the impacts of the new National Quality Framework for Early Childhood Education on rural and remote councils and communities was not properly undertaken when the policy was being formulated.

The LGAQ advocates strongly for a more flexible approach to be taken by the Federal and State Governments, with the possibility of permanent exemptions in certain circumstances to be granted to council-run childcare centres in these locations.

Your assistance is requested in securing a more flexible approach to the operation of the National Quality Framework in rural and remote communities. It would be extremely unfortunate if an unintended consequence of implementation of the Framework is the closure of these childcare centres and others like them with the subsequent negative impacts on these rural and remote communities.

Yours sincerely

Cr Margaret de Wit
PRESIDENT



17 May 2013

Regulation and Service Quality – QECS Bill 2013
Office for Early Childhood Education and Care
Department of Education, Training and Employment
PO Box 15033
CITY EAST QLD 4002

QECSBillEnquiries@dete.qld.gov.au

To whom it may concern

I refer to the draft Education and Care Services Bill 2013. The Local Government Association of Queensland (LGAQ) has just been made aware of this Bill, and I understand that comments close today.

The stated aim of the Bill is to ensure support for the delivery of quality outcomes for children while reducing regulatory burden for service providers.

Please find attached a copy of a letter written to all Queensland Senators, both Government and Opposition, at the end of 2012 in response to concerns raised by Croydon Shire Council and Etheridge Shire Council. This letter outlines a number of issues faced by rural and remote areas in the delivery of quality care for young children. The letter also asks for a review of the operation of the current National Quality Framework for Early Childhood Education and Care to ensure a more flexible approach in these communities, with the possibility of permanent exemptions in certain circumstances to be granted to council-run childcare centres in these locations.

We received a response from Senator Brett Mason and Senator Barnaby Joyce. These are also enclosed.

The LGAQ believes that the State Government should also consider the possible and perhaps unintended impacts if there is little or no flexibility given to these rural and remote communities. This is particularly relevant when considering the implementation of minimum education qualification requirements, approved learning frameworks, required numbers of educators and further restrictions on options to apply for service or temporary waivers to meet certain requirements in relation to physical environment or staffing arrangements.

Please accept this letter and attachments as the Local Government Association of Queensland's submission on the draft Education and Care Services Bill 2013.

Yours sincerely,

Greg Hoffman PSM
GENERAL MANAGER - ADVOCACY



21 December 2012

Senator

Dear Senator

National Quality Framework for Early Childhood Education and Care

The National Quality Framework for Early Childhood Education and Care, implemented by the Australian Children's Education and Care Quality Authority in conjunction with the Regulatory Authorities in each State and Territory (the Office for Early Childhood Education and Care in Queensland), was introduced on 1 January 2012. It is a national approach to the regulation and quality assessment of early childhood education and care services, and applies to most long day care, family day care, preschool and kindergarten, and outside schools hours care services.

The Framework includes the following parts:

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- Educational program and practice;
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- Relationships with children;
- Collaborative partnerships with families and communities; and
- Leadership and service management.

The Local Government Association of Queensland (LGAQ) welcomes these reforms, which were designed to ensure a high national standardisation of quality care for young children. However, the LGAQ has some concerns regarding the application and inflexibility of new requirements that do not take into account individual circumstances.

Some rural Queensland councils have raised the problems associated with attraction and retention of suitably qualified childcare providers and directors with the LGAQ. This is a large problem shared by rural and remote councils through Australia, as these councils undertake a vital service for their communities – they are the primary organisations that sustain the social fabric of their rural communities, filling the gap in delivering human and other services that are normally provided by the private sector in larger and more urbanised areas.

There is a well-documented skill shortage in rural and remote communities, with councils often unable to offer suitable rates of pay in order to attract and retain qualified staff, as well as a lack of services and lifestyle issues in rural areas that can also impact.

This is currently the case in two particular councils – Etheridge Shire Council and Croydon Shire Council. The Etheridge Shire Council's childcare centre is located at Georgetown, which is approximately 1400kms from



Brisbane, 400kms from Cairns and 300kms from Normanton. Georgetown has a population of approximately 260, and is the administrative headquarters of the Etheridge Shire Council. The Shire has a total population of approximately 930. The Croydon Shire Council's childcare centre is located at Croydon, which is 2200kms from Brisbane by road. The Shire has a population of approximately 270, two-thirds of which live in Croydon and the rest on large cattle stations. Approximately one-third of residents are of Aboriginal or Torres Strait Islander origin. Croydon Shire residents are also some of the most disadvantaged in Queensland, with 67% of residents being in the most disadvantaged quintile compared with a 20% average across Queensland (this measure is based on socio-economic criteria, including income, level of education achieved, employment, housing and access to vehicles).

The director of the council-run childcare centre in Etheridge Shire Council recently resigned. In that case, due to the difficulties described above in recruiting an appropriate replacement, the council was granted an extension by the Office for Early Childhood Education and Care. Etheridge Shire Council is currently 4 months into a 6 month extension but is struggling to recruit a suitably qualified director. If a director for a childcare centre is not found, then the childcare centre will be closed.

Croydon Shire Council operates two services, a 21 place child care centre and an outside school hours care program. Of the 6 staff employed between the two services, 3 are currently on maternity leave, including the nominated supervisor and the senior certified supervisor. Due to the qualification requirements under the NQF (Regulation 302), Council has had to close one of the services for the last term to ensure the remaining service could remain open. Even then, Council had to seek an exemption from the regulator for not meeting the educational ratio of at least 50% of the educators being at least diploma qualified or enrolled with no staff currently meeting this qualification. An initial 5 day exemption was given by the Department which, on request, was extended to 28 January 2013 when the senior certified supervisor is due to return from maternity leave. The service will still not satisfy the regulation which is about educational quality and will have to seek further exemptions until the director returns in October 2013. Council has been attempting to fill the position of acting director since early October without success.

From 2014 when the requirement for centres to employ a 4-year qualified early childhood teacher commences, there will be a further financial impact on Council even if an alternative educational delivery mode is found.

As with many rural council areas, the council-run childcare centre is the only childcare centre in the area, and any resulting closure will have a great impact on the community.

In the LGAQ's Capacity Building Needs for Non-Amalgamated Councils report that was published in October 2009, LGAQ called for "a greater recognition of the capacity constraints in smaller councils, and possibly some exemptions from particular requirements...if sustainable local governance was to be achieved for these remote locations". In addition, the Australian Centre for Local Government Excellence's paper called A Capacity Building Strategy for Rural-Remote and Indigenous Local Government, published in March 2011, highlighted that "rural-remote councils are commonly expected to provide a greater range of services than their regional and urban counterparts... [and] often assumed a 'provider of last resort' role in order to ensure the sustainability of small communities." The paper stated:

"In addition to the pressures of community expectations and withdrawal of services, the capacity of rural-remote and Indigenous councils is also challenged by unrealistic policies and demands of the other levels of government. The scoping studies in WA and Queensland particularly noted concern about 'one-size-fits-all' approaches taken by government agencies, without due consideration of the appropriateness of the functions expected or the requests made of different rural-remote and Indigenous councils."



The LGAQ believes that due consideration of the impacts of the new National Quality Framework for Early Childhood Education on rural and remote councils and communities was not properly undertaken when the policy was being formulated.

The LGAQ advocates strongly for a more flexible approach to be taken by the Federal and State Governments, with the possibility of permanent exemptions in certain circumstances to be granted to council-run childcare centres in these locations.

Your assistance is requested in securing a more flexible approach to the operation of the National Quality Framework in rural and remote communities. It would be extremely unfortunate if an unintended consequence of implementation of the Framework is the closure of these childcare centres and others like them with the subsequent negative impacts on these rural and remote communities.

Yours sincerely

Cr Margaret de Wit
PRESIDENT



Senator
BRETT MASON

Liberal National Senator for Queensland
Shadow Minister for Universities and Research



Local Govt. Assn. Qld
RECEIVED

31 JAN 2013

25 January 2013

Councillor Margaret de Wit
President of the Local Government Association of Queensland
PO Box 2230
Fortitude Valley BC
QLD 4006

Dear Councillor

Thank you for your letter to me dated 21 December 2012 outlining the concerns that the Local Government Association of Queensland (LGAQ) has about the impact of the National Quality Framework for Early Childhood Education and Care (**Framework**) on rural and remote communities.

I appreciate the LGAQ's concerns and agree that it is important to ensure the ongoing operation of childcare centres in rural and remote communities.

I have sent a copy of your letter to the Minister for Schools, Early Childhood and Youth, the Honourable Peter Garrett MP, and have asked him to respond to the issues that you have raised in your letter, including whether the government will consider exemptions to the Framework for rural and remote communities.

I have also sent a copy of your letter to my colleague, the Shadow Minister for Childcare and Early Childhood, the Honourable Sussan Ley MP, and have asked for an outline of the Coalition's policy in relation to the impact of the Framework on rural and remote communities.

I will be in contact again once I receive replies from the Minister and the Shadow Minister.

Thank you again for your letter and please feel free to contact me if there is anything I can do to assist you further.

Yours sincerely

Brett Mason

Brett Mason



20 FEB 2013

SENATOR BARNABY JOYCE

Leader of The Nationals in the Senate
Shadow Minister for Regional Development, Local Government and Water
LNP Senator for Queensland

15th February 2013

Cr Margaret de Wit
President
Local Government Association of Queensland
PO Box 2230
Fortitude Valley BC QLD 4006

Dear Cr de Wit,

I write in response to your letter dated 21st December 2012 in relation to the National Quality Framework for Early Childhood Education and Care. I apologise for the delay in responding.

I sincerely appreciate the time you have taken to raise your concerns with me surrounding this. The extra costs created by the changed regulations have created difficulties for many child care centres. The points you raise about their more acute impact on rural and remote centres are well made.

I have raised your concerns with the Shadow Minister for Child Care and Early Childhood, Sussan Ley, and will write to you in the near future with an update on these matters.

Kind Regards,



Senator Barnaby Joyce
Shadow Minister for Regional Development, Local Government and Water
Leader of the Nationals in the Senate
LNP Senator for Queensland



26 September 2013

The Hon Sussan Ley MP
Assistant Minister for Education
PO Box 6022
House of Representatives
Parliament House
CANBERRA QLD 2600

Dear Assistant Minister

I am writing regarding the National Quality Framework for Early Childhood Education and Care (the National Framework).

I wrote to all Queensland Senators in December 2012 requesting a more flexible approach to the operation of the National Framework in rural and remote communities in response to concerns raised by Croydon and Etheridge Shire Councils (a copy of one of these letters is attached). In replies received in January and February 2013, respectively, Senators Brett Mason and Barnaby Joyce said they would raise our concerns with you in your capacity as Shadow Minister for Child Care and Early Childhood. We have received no further correspondence since then.

I congratulate you on your recent appointment as Assistant Minister for Education and hope that you will be able to revisit this issue now that you are responsible for it in government.

Croydon and Etheridge Shire Councils have recently confirmed that their concerns, which are outlined in detail in attached correspondence, remain relevant. I am convinced that these concerns are shared by other rural and remote communities across Australia.

I would also note that, on 12 September 2013, the Queensland Parliament passed the *Education and Care Services Bill 2013*. While this legislation brings the approximately 2% of Queensland child care services not regulated by the National Framework more closely into alignment with the National Framework, it is noteworthy that, in introducing this Bill, the Queensland Government explicitly acknowledged that some elements of the National Framework were not appropriate for small scale services operating in regional and remote areas, such as the staffing requirements and levels of qualifications required for staff and the system of rating and assessing services against national standards, because the costs of compliance outweighed the benefits. It is for this reason that the Queensland Government opted for a hybrid model for the 2% of services concerned.



I believe consideration should be given to making similar adjustments to the requirements for child care services in rural and remote communities which fall under the National Framework. I would urge you to review the operation of the National Framework, with the possibility of permanent exemptions in certain circumstances to be granted to council-run childcare centres in rural and remote locations, to reduce the adverse impacts of the National Framework on these communities.

I would appreciate the opportunity to discuss this issue with you or departmental officers to identify a mutually beneficial outcome.

Yours sincerely

Cr Margaret de Wit
PRESIDENT



Local Govt. Assoc.
RECEIVED
15 NOV 2013

THE HON SUSSAN LEY MP
ASSISTANT MINISTER FOR EDUCATION

Our Ref MC13-008125

Councillor Margaret de Wit
President
Local Government Association of Queensland
PO Box 2230
FORTITUDE VALLEY BC QLD 4006

12 NOV 2013

Dear Councillor de Wit

Margaret

Thank you for your letter of 26 September 2013 concerning the National Quality Framework for Early Childhood Education and Care.

The Australian Government is committed to a thriving child care and early learning sector that delivers flexible, accessible, and affordable quality education and care. I will be taking a deliberate, measured approach in considering the issues that face the child care and early learning sector, and I am keen to listen to everyone who has a role to play in the sector.

The Government supports the National Quality Framework and its aim to ensure quality services for all children no matter where they live. However I remain concerned by reports from services and parents that its implementation is causing administrative and staffing problems, which are then passed on as cost increases for families. That is why we have committed to work closely with the states and territories, as well as the child care and early learning sector, to find practical ways to improve its implementation without compromising the standard of quality that must be provided.

The Government appreciates the difficulties in attracting and retaining suitably qualified educators to work in rural or remote services. In this regard, I support a review of current child care and early learning qualification requirements in the National Quality Framework, and am committed to looking at ways to encourage and support more people, particularly in rural and regional areas, to study early childhood qualifications.

I am pleased to advise of you a number of initiatives and support available to services in rural and remote communities. I have attached details of these initiatives and organisations which may be able to assist.

The 2013 Early Childhood Education and Care Workforce Review is currently being undertaken to determine the progress of the child care and early learning sector towards meeting the National Quality Framework qualification requirements. The Review has a particular focus on early childhood teachers and the rural and remote workforce and aims to identify any gaps or areas which may require attention. It is expected that the review will be complete in late December 2013. The 2013 National Early Childhood Education and Care Workforce Census was undertaken earlier this year. Initial analysis indicates significant growth in the numbers of qualified staff, but continues to highlight challenges in relation to early childhood teachers and attracting and retaining staff in rural and remote communities.

I would like to highlight that the NQF does provide services with an opportunity to apply for waivers where the service can demonstrate extenuating circumstances and genuine difficulty in meeting the requirements of the National Quality Framework. Services may wish to contact the Queensland Regulatory Authority via email ecec@dete.qld.gov.au or telephone on 1800 637 711 for more information.

I will be meeting with the Hon John-Paul Langbroek, Queensland Minister for Education and I will raise these issues with him when we meet.

The Government has committed as a priority, to have the Productivity Commission inquire into how the child care and early learning system can be made more flexible, affordable and accessible. The Inquiry will be broad ranging, focusing on parents' work and study needs, the needs of rural, regional and remote families, shift workers, out of pocket costs, and the needs of vulnerable children. It is expected that the Productivity Commission will report within 12 months.

The Government is committed to working consultatively with the sector and will establish an Industry Advisory Council to facilitate this informative consultation.

I appreciate your invitation to discuss these matters further. I have referred your invitation to my Diary Secretary, who will be in touch with you in the near future. I look forward to working with the sector and, in particular, those services in rural and remote areas, to improve child care and early learning for all families.

Thank you for bringing this matter to my attention.

Yours sincerely

The Hon Sussan Ley MP

Initiatives and Support for Rural and Remote Communities

The Community Services and Health Industry Skills Council has facilitated a number of Workforce Development workshops nationally, including in Queensland, and has supported rural and remote services to submit successful applications under the National Workforce Development Fund (www.cshisc.com.au).

Regional Education, Skills and Jobs (RESJ) Coordinators are located in 46 Regional Development Areas of Australia to coordinate and connect education, skills and jobs activities at the local level. RESJ Coordinators work with stakeholders to implement strategies in the Regional Education Skills and Jobs Plans. These plans identify strategies to improve participation in the workforce and improve education achievement in regional Australia. RESJ Coordinators are currently supporting regional child care and early learning networks to design collaborative workforce solutions to ongoing challenges. In Queensland, RESJ Coordinators have undertaken strategies in rural and remote areas to implement the Early Years Workforce Strategy and to promote recruitment, training and leadership in the child care and early learning services sector (www.employment.gov.au/regional-education-skills-and-jobs-initiative).

Professional Support Coordinators (PSCs) are funded by the Government under the Inclusion and Professional Support Programme to provide professional development and support to child care and early learning services to enhance the provision of quality services to children and families. PSCs assist services to understand and meet the requirements of the National Quality Standard, and to implement approved learning frameworks including the Early Years Learning Framework.

The Queensland Workforce Council is the PSC in Queensland, and provides a number of strategies and initiatives to support the child care and early learning sector. Through the Professional Support Coordinator Queensland (PSCQ), the Workforce Council provides a suite of strategies to assist the child care and early learning sector to undertake effective workforce planning and development at an individual, team, organisational and systemic level.

PSCQ operates on a regional decision-making model to best suit the needs of 14 different regions in Queensland. Each of the regions is represented by a Professional Support Network. Contact details for each region can be found on the PSCQ website www.workforce.org.au/initiatives/professional-support-coordinator-queensland/networks-regions.aspx