

SUBMISSION TO THE SENATE

SOCIAL SERVICES LEGISLATION AMENDMENT (OMNIBUS SAVINGS AND CHILDCARE REFORM BILL 2017)

MARCH 2017

**National Association of
Mobile Services Inc.
For rural and remote
families and children**

**National Association of Mobile
Services: for rural and remote
families and children**

NAMS - Chairperson
Contact: Anne Bowler

[Redacted]
[Redacted]
[Redacted]
[Redacted]

[Redacted]





Senate Inquiry Submission

Proposal Rural & Remote Funding Model

The Omnibus savings bill ties welfare cuts to an overhaul of childcare subsidies. The Social Services Legislation amendment (Family Payments Structure Reform and Participation Measures) Bill 2016 is now tied to the *Jobs for Families Package*.

The proposed Jobs for Families Package legislation, aims to guide all Commonwealth funded children's service programs to the mainstream funding model (currently Child Care Benefit, CCB). The proposed Community Childcare Support (CCS) will have accompanying provision through the Child Care Safety Net and Community Child Care Fund (CCCF) for grants that will be time limited, competitive and linked to a business model requiring services to demonstrate long-term service sustainability.

Who we are:

National Association of Mobile Services for Rural and Remote Families and Children (NAMS) are the Peak organisation supporting the forty six (46) Mobile Children's Services funded under the Australian Government's Budget Based Funding Program (BBF).

NAMS has been a formal member of the *National Children's Services Forum* for many years, contributing knowledge about Mobile Children's Services, other early childhood services, and the circumstances of children, their families and communities in geographically isolated areas of Australia.

NAMS also contributes strongly as a member of the Australian Government Department of Education's *Budget Based Funding Program Stakeholder Reference Group* and Ministerial Advisory Council (MAC).

What is a Mobile Children's Service?

Mobile Children's Services operate where the local educationally focused, early childhood development service system is unable to provide reasonable access to children in isolated circumstances. In other words, the market based system in Australia often fails rural and remote communities.

Mobiles Children's Services make real the Australian Government's focus on high quality, **accessible, flexible and responsive child care and early childhood learning** services which support children and the employment needs of parents. They can provide a range of service strategies to rural and remote communities, providing the possibility of choice for parents.

Mobile Children's Services make real the aspirations of government across vast geographical areas, and across specific communities that make up the rich tapestry of Australian society, enabling communities, parents and children to have the opportunity to realise their full potential.

Mobile Services are critical elements of sub-regional, educationally focused, early childhood development service system. They are not afterthought or second tier services; they are front-line essential service in their communities.

How Mobile Children's Services Operate?

Mobile Services are generally seen as 'advance and withdraw' community services, where they provide activities at a time, a place where no other educationally focused, early childhood development service is reasonably available to children and their family, through the standard centre-based/'come-to-us' service system.

As 'advance and withdraw' community services, Mobiles have to be flexible, to meet local needs and be responsive to waxing and waning demand, as well as emerging needs.

The advance and withdrawal principle is particularly apt for the regulated Mobile Children's Services who provide an early childhood education and care service: Service systems develop and centre-based ECEC service types gradually fill the space so that Mobile Children's Services are no longer needed. As communities develop, the Early Childhood Education Care (ECEC) service system generally develops to provide reasonably accessible services and Mobile Services may no longer be needed.

In the main, because the market fails to deliver to some communities, usually because of low density/utilisation or poor capacity to pay, the regulated Mobile Children's Services are subsidised at relatively high rates by Governments, to ensure that these communities receive some form of Early Childhood Education and Care.

As the factors that make ECEC services viable improve over time, and as the centre-based service system expands, the principle arises that relatively highly subsidised services should not compete with good quality, equivalent types of ECEC services. They should move on. However, more often than not the viability of operating a centred based service in these small communities is not attractive to providers; mobile services usually remain the only source of Early Education and care to these children receive.

As well, it is sometimes the case that Mobile Children's Services work in locations where there is an accessible centre-based alternative, but this alternative does not address the particular needs of some population groups, whether that be about the quality of care, or cultural competence. Access to culturally competent ECEC services is a key issue addressed by many Mobiles.

Lastly, Mobiles Children's Services are most necessary in the extreme cases of rural and remote parts of Australia. No other ECEC will ever be established in these communities. These ECEC programs are flexible and cater directly to the communities needs and 'reach' the hard to engage children.

Our concerns:

NAMS is deeply concerned that the Safety Net, and in particular the Community Child Care Fund, is not constructed in a way that will address identified concerns with the package, and will lead to a range of additional unintended policy consequences.

Specifically;

1. **Mobile Children's Services will close:** The funding reform proposal will no doubt ensure the closure of up to 90% of the current BBF Mobile Children's Services. There is insufficient funding, the total allocation for the Community Child Care Fund (CCCF) available to services is about \$100 million per annum, or under the \$10.5 billion investment in the mainstream Child Care Subside (CCS). This is grossly inadequate to facilitate meeting the needs of most rural and remote families. A further \$500 million cashed out from the CCB would provide better support to rural and remote services and program delivery.
2. **Community Services can't compete:** the CCCF will provide competitive grants open to an estimated 4000 services. Small community services set up to meet the needs of rural and remote vulnerable communities, will struggle to secure adequate funds in the competition against strongly resourced mainstream providers.
3. **Sustainability can't be achieved:** CCCF grants will be time limited and linked to a business plan requiring services to demonstrate long-term service sustainability, failing to recognise the entrenched property, long-term unemployment and disadvantage that make sustainability, without additional government funding, impossible in many rural and remote communities.
4. **Reform for the current funding model:**
Whilst not objecting to the need for changes to the child care system, a funding reform should not occur at the expense of established services that have provided innovative child care, education and development for many years. NAMS calls for a reform that guarantees that the new child care funding proposals will not diminish current services to the detriment of the children and their families that require specific support.
5. **Closure of a range of vital services that do not fit a mainstream ECEC model:**
playgroups, mobile services and out of school hour programs, for example, will not be viable under this package. Currently, there are no program alternatives being offered for these services.

Access to quality early years education has proven to have a great positive impact for rural, remote and vulnerable families, supporting a child's successful transition to school and life-long education and employment outcomes.

Proposal:

We propose a \$500 million funding model for rural and remote service delivery that will provide flexible, accessible and affordable ECEC services and programs, giving families and children the opportunity to be able to access essential quality child care and educational services.

This proposal is an innovative way to deliver an integrated and universal model to address the 'missing middle', within rural and remote based context. Rural and remote Australia deserves a rural strategy in place that takes into account the real challenges and circumstances of delivering services to rural and remote Australia.

A successful transition will take place into the future sustainability for all these Providers, Services, Educators, Communities, Families and most importantly the Children.

