

Senator David Leyonhjelm
Senator for New South Wales
Chair, Senate Select Committee on Red Tape
PO Box 6100
Parliament House
Canberra ACT 2600

Monday 19 March 2018

RE: THE EFFECT OF RED TAPE ON CHILDCARE

Dear Senator Leyonhjelm,

The Parenthood welcomes the opportunity to provide feedback on the *Select Committee for Red Tape's* inquiry into the effect of red tape on childcare.

The Parenthood is Australia's leading parent advocacy and campaigning organisation with more than 62,000 parent members across Australia. We seek to ensure that the voices of parents are heard, particularly on issues that affect them and their children as directly as early education and care.

The Parenthood considers this inquiry a chance to demonstrate to Senators, and to the Parliament more broadly, that most regulatory requirements (what some might term 'red tape') are of vital importance to ensure we maintain high standards for quality within the early education and care sector.

While perhaps the Inquiry is more focused on the regulatory requirements from an operational standpoint (how early education and care services are regulated, inspections, Council planning approvals, safety and reporting, compliance with Centrelink, as well as the National Quality Standards) we feel as the voice for parents, The Parenthood is much better placed to speak about the 'red tape' for families accessing and paying for early education and care, rather than operational matters. Peak bodies and early education and care operators are in a much better position to make those observations and we are sure they will do so.

It would be remiss of us however, not to mention the changes that are occurring in this space from 2 July 2018. We feel strongly that a conversation about red tape in early education and care would be better placed after the changes have been implemented. Though we can say that the 93 page, *'Draft Childcare Provider Handbook'* does seem to require a great deal of attention from early education and care providers. The reporting provisions in the handbook seem onerous and the legislative framework for compliance quite a lot to comprehend.

The time and effort (and legislative expertise) required to comply is fine for the bigger players in the sector, however, the smaller centres will find (and likely already find) the requirements quite intense.

The draft handbook also is missing the section about 'Family Responsibilities', which clearly makes it difficult for The Parenthood to provide informed comment on the effects of any potential red tape.

We therefore believe the timing of this childcare portion of the Inquiry is ill-advised and requires revisiting should the Committee be serious about cutting red tape.

The administrative requirements for families accessing early education and care support from the government will likely increase with activity reporting on a more regular basis a possibility. With Centrelink phone wait times often blowing out to over 90 minutes (if parents can get through at all – 55 million calls failed to connect through in 2016-17 according to Hank Jongen's Estimates testimony). This 'busy-work' that Centrelink customers are put through is an example of the red tape parents face when they have their child accessing early education and care services.

The effects on compliance costs for parents are primarily in hours, yet it affects their economic output if they are trying to get through to Centrelink and failing, or if they are on hold for significant amounts of time. In response to our concerns about this issue, one parent relayed her story of calling Centrelink.

"I called at 1.30pm thinking that the staff would have had their lunch and would be back on deck and I would be less likely to wait for a long time. I work from home but leave at 2.50pm to pick up my older child from school. I thought that would give me plenty of time, even if I was holding for a while (as I always expect to be). Well, I ended up still on hold when I had to leave. I decided to leave the phone on and pick up my daughter, hoping that I didn't miss it if my call was answered. I returned home to hear 'hello?' through the speakerphone as I was scrambling with my keys in the lock. I didn't make it in before the Centrelink staffer disconnected the call. I had to do it all again the next day. Only this time I called at 12.30pm and finally got through at 1.55pm. I'm lucky that I work at home. You couldn't do what I did if you were in an office full of people or on the road for work."

This anecdote is unfortunately one of many.

Parents are also challenged when trying to find a place in an early education and care centre. Often, in locations where early education and care is in high demand (and particularly for babies) parents are finding they need to put their child's name down on several waitlists, often at significant cost, in order to gain a place. Should they need full time care for their child, they are often required to make patchwork arrangements to cover the whole week.

Again, from a Parenthood member:

“We had our son’s name down at four different centres from before he was born because I was going back to work when he was 12 weeks’ old. We had to fill out all of those forms four times and pay four ‘waitlist fees’ – the most expensive of which was \$200! None of them could guarantee a place and none of them had anything more than a paper system where the last child on the list was placed at the back of the folder. No electronic database to ensure fairness. And as I found out – if you just keep calling them every week you’ll eventually be lucky and call on the day they’ve had someone else leave. But we only got three days at that centre and have had to rely on grandparents until another centre could give us the final two days.”

When it comes to the transition to the kindergarten or preschool year, the funding arrangements across jurisdictions can also make it more difficult for parents. While the Federal Government funds across all jurisdictions, the States make funding decisions themselves with inequity across sectors.

This from a NSW parent:

“My twin daughters were in a kindy program at a childcare centre in Brisbane where we lived. We couldn’t manage a straight kindy with the drop off and pick up times and both of us working, so it was a wonderful solution. Then I was transferred to Sydney for work. Now we pay much more for that same program because the NSW government doesn’t fund preschool programs in childcare the way they do in a stand-alone preschool. I don’t understand how that’s fair.”

While education in a school environment is fully funded, education in the years prior to school (which is of vital importance) is not. These marked differences across jurisdictions lead to confusion and extra costs for parents and the potential that children miss out on vital early learning. Reviewing funding across jurisdictions and ensuring equity and fairness would be an excellent way to alleviate these barriers to education.

CONCLUDING REMARKS

The Parenthood again thanks Senate Committee members for the opportunity to provide input and feedback to contribute to your review of the effect of red tape on childcare as part of the *Select Committee for Red Tape*.

THE PARENTHOOD REITERATES OUR OBJECTION TO THE TIMING OF THIS PORTION OF THE INQUIRY AND RESPECTFULLY SUGGESTS A REVIEW THREE MONTHS AFTER THE IMPLEMENTATION OF THE GOVERNMENT’S CHILDCARE REFORMS.

The safety, wellbeing and education of our children is of paramount importance. We urge the Committee to see regulation of the early education and care sector in light of those factors, and focus on what keeps our children safe, while reducing the administrative burden the Government's own systems place on operators and families.

Placing your child in the care of others is an exercise in great trust. It is important that this trust is backed by regulation to ensure the safety and wellbeing of children and to ensure parents' peace of mind.

Kind regards,

Nicole Lessio
Principal Campaign Manager
The Parenthood