

THE AUSTRALIAN GREENS' DISSENTING REPORT

1.1 The Senate Inquiry into the Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2015 (the Bill) received 143 submissions from peak bodies and experts in childcare as well as members of the public. A substantial number of submissions raised concerns regarding this Bill, particularly in relation to the 'activity test', which were echoed in the evidence provided in the Public Hearing on the Bill on 4 March 2016.

1.2 Despite the evidence provided and concerns raised by these experts, the Chair's report has recommended that this Bill be passed.

1.3 The Australian Greens support the Bill's purported aim to 'improve access to the affordability of early childhood education and care' and welcome the committee's recognition that 'access to high-quality early childhood education and care is of substantial developmental benefit to children in addition to its role in helping to facilitate parents' workforce engagement'.

1.4 The Australian Greens are concerned, however, that the measures included in this Bill as currently drafted will not achieve these aims, and will in fact result in a number of families being unable to access childcare or receive reduced access to subsidised care.

1.5 The Australian Greens are concerned by the imposition of a minimum requirement of 8 hours of activity per fortnight in order to receive subsidised child care and note that a number of vulnerable families may not be able to meet this minimum requirement. The Greens are therefore concerned that a number of lower socio-economic and middle-income families will be ineligible for adequate levels subsidised childcare under this scheme; families that are not merely seeking access to child care for 'lifestyle reasons' as the Committee's report suggests.

1.6 The Australian Greens also recognise concerns that the proposed activity test inadvertently creates barriers to work for families where at least one parent does not have secure, regular employment and believe amendments are required to ensure the system is fair for parents engaged in irregular work and does not leave them with inadequate child care subsidy to meet their work commitments, or higher childcare costs. Without amendment, this activity test will present a barrier for new mothers trying to re-enter the workforce through casual and irregular employment. Without a minimum amount of childcare guaranteed, many parents will find it near impossible to take on extra hours of work.

1.7 The Australian Greens are also concerned that the Bill may have a detrimental impact on children from remote and rural parts of Australia, and in particular Aboriginal and Torres Strait Islander children. The Australian Greens refer to concerns raised by the Secretariat of National Aboriginal and Islander Child Care (SNAICC) in their submission and in their evidence provided at the public hearing, in particular:

- The proposed closure of the Budget Based Funding Program;
- The risk posed to the loss or reduction to the Aboriginal and Torres Strait Islander sector; and
- The increased cost of service delivery to remote areas, in particular for Indigenous communities.

1.8 The Australian Greens are further concerned that the introduction of the activity test will reduce access to subsidised childcare for vulnerable children and is counter to the acknowledged need to increase participation in early childhood services for Aboriginal and Torres Strait Islander children. The Australian Greens are disappointed to see these concerns have not been adequately addressed in the Chair's report, nor are they reflected in the Committee's recommendation, in particular in relation to the increased cost of service delivery to remote areas and access to children from remote and regional areas.

1.9 While the Australian Greens note the committee's reliance on the Additional Childcare Subsidy as an adequate measure to address these criticisms, the Greens reiterate the concern raised in the submission from Goodstart Early Learning, namely that the legislation requires further clarification to ensure this subsidy is able to genuinely meet the needs of vulnerable children. The Greens submit that clarification as to how the Additional Childcare Subsidy will adequately address the needs of vulnerable children, particularly those in remote or regional Australia, is required beyond what has been provided in the public hearing and by the Committee's report.

Conclusion

The Australian Greens are concerned that the Chair does not appear to have appropriately responded to and addressed the concerns raised by the vast majority of experts regarding this Bill. There is a real risk that the impacts of a tougher activity test will further disadvantage families with irregular work hours and new mothers re-entering the workforce. Some of the most vulnerable children in our nation, particularly those from Aboriginal and Torres Strait Islander communities, will lose out if these measures are introduced unamended.

Recommendations

Recommendation 1: The Australian Greens recommend that the activity test be amended to include an additional amount of base level subsidised childcare for all families that fall within the 0-8 hours of activity, so that all children have access to a minimum of 24 hours of subsidised childcare per week.

Recommendation 2: The Australian Greens recommend that an adequately flexible reporting methodology be adopted that allows all casual workers or part-time workers with irregular hours to estimate their expected activity and childcare needs, so as not to be disadvantaged by the activity test.

Recommendation 3: The Australian Greens recommend further detailed clarification be provided as to how the Additional Child Care Subsidy will meet the needs of vulnerable children, in particular children in remote or regional Australia, and Aboriginal and Torres Strait Islander children.

Recommendation 4: The Australian Greens recommend an amendment to include mechanisms for increasing childcare places where vacancy rates are critically low, creating barriers to parents being able to find affordable care.

Senator Sarah Hanson-Young

