

Tabled by Senator Lines
05/06/2015



The Hon Kate Ellis MP

Federal Member for Adelaide | Shadow Minister for Education | Shadow Minister for Early Childhood

The Hon Scott Morrison MP
Minister for Social Services
PO Box 6022
Parliament House
CANBERRA ACT 2600

13 MAR 2015

Dear Mr Morrison

I write with the aim of furthering our conversation on the future of child care policy.

I have noted your comments in the media in recent days about specific child care reforms the Government might pursue, as well as the possible short timeframe until such announcements are made.

As discussed last week the Opposition is open to working constructively on child care reform, and a necessary part of such an approach includes details on specific Government proposals and access to modelling of their impacts. It is important this information is available so that the Opposition can make informed decisions about proposals we might be able to support.

To this end, I would like to schedule a further meeting to continue our discussion on child care policy next week. As you are aware, I will not be able to travel in coming weeks, however, I would very much like to meet via telepresence.

Please do not hesitate to contact me if you have any questions, and I look forward to hearing from your office about a possible time to continue our discussions.

Regards

A handwritten signature in black ink, appearing to read 'Kate Ellis'.

Kate Ellis
Shadow Minister for Education
Shadow Minister for Early Childhood

E-MAILED
13/3/15



C2

The Hon Kate Ellis MP

Federal Member for Adelaide | Shadow Minister for Education | Shadow Minister for Early Childhood

The Hon Scott Morrison MP
Minister for Social Services
PO Box 6022
Parliament House
CANBERRA ACT 2600

27 MAR 2015

Dear Mr Morrison

Thank you for facilitating a briefing for me with the Department of Social Services on the impact of the Productivity Commission's report.

It is Labor's priority to ensure that Australian families are better off and particularly to ensure that vulnerable and disadvantaged children, and low and middle-income families, are protected.

I want to make sure our future discussions are as productive as possible, and therefore ask that you make the relevant information available to enable the Opposition to properly consider policy proposals as you bring them forward.

In our discussions next week I will be seeking information that shows any proposed changes put forward by the Government do not adversely impact on low and middle income families, single parents, and disadvantaged and vulnerable children and their families.

To inform future discussions, it will also be important that detailed modelling is available about the impact any proposed Government changes to the child care system will have on the availability, accessibility and affordability of child care for Australian families at different income levels.

Following the offer made in this week's briefing with the Department of Social Services, I have attached a list of information that it would be useful to have to hand in order to inform our future discussions.

I look forward to discussing child care policy with you in the near future. Please do not hesitate to contact me if you have any questions.

Regards

Kate Ellis
Shadow Minister for Education
Shadow Minister for Early Childhood

E-MAILED
27/3/15

Enc.

Following the briefing by the Department of Social Services on 25 March 2015, access to the following additional information would be helpful:

- Current child care fees by geographic area, including for capital cities and by income band.
- The workforce participation impacts of moving from the current system to the Productivity Commission's proposed model, by income band.
- Whether families will be financially better or worse off as a result of moving from the current system to the system proposed by the Productivity Commission, by income band, and price of care. Including a distributional analysis of the impact.
- Baseline data about the current system, including:
 - The distribution of fees and subsidy rates in aggregate by income bands
 - The distribution of hourly fees for Long Day Care and Family Day Care, including the median, mean, 60th, 70th, 75th, 80th, 85th, 90th, 95th, 99th percentiles.
- The impact of the Productivity Commission's proposed activity test, including the number of families and children that will no longer receive a subsidy by income band (assuming no change in behaviour):
 - Those losing access to 24 hours CCB only;
 - Those losing access to CCR only; and
 - Those losing access to 24 hours CCB and CCR
- The value of the saving associated with moving from the current activity test to the activity test proposed by the Productivity Commission.
- The cost of the CCB/CCR system compared to the Productivity Commission's benchmark price system over the forwards.
- The component cost of the Productivity Commission's proposed system, relative to the current system.
- The expected impact of the Productivity Commission's benchmark price system on child care fees in the future.
- The number of children and families that would be negatively impacted by a change from the current 50 per cent Child Care Rebate to the minimum 20 per cent Early Childhood Learning subsidy proposed by the Productivity Commission. Including the number impacted by income band.



C4

Jenny Macklin^{MP}

Federal Member for Jacaranda

The Hon Scott Morrison MP
Minister for Social Services
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

I write following recent briefings from yourself and your Office with the Shadow Minister for Early Childhood, the Hon Kate Ellis MP, and myself about the Government's proposed childcare package.

I also refer to several requests for further information arising from these discussions from Ms Ellis and her office; and more recently from the Leader of the Opposition the Hon Bill Shorten MP to the Prime Minister.

During those briefings, it was made clear that in order for Labor to be in a position to properly consider any proposal from the Government, we would require detailed modelling on the impact of any changes to particular families and children, taking into account the Government's proposed savings currently before the Parliament and any additional saving proposed to properly fund this package.

To date, we have not received the information that was promised.

As you know, Labor has consistently maintained a willingness to work constructively and cooperatively with the Government to improve the affordability, accessibility, flexibility and quality of our early childhood education and care system. To this end, we entered into discussions with the Government in good faith.

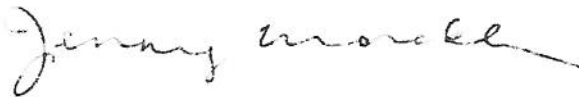
We have been up-front about our position that child care reforms must address the dual goals of workforce participation and children's development. We have also been very clear that Labor's priority is to ensure that Australian families are better off and particularly to ensure that vulnerable and disadvantage children, and low and middle income families are protected. This includes in relation to any proposed savings that might form part of a potential child care package.



However, Labor will not be in a position to properly consider the Government's proposals unless we have an accurate understanding of the implications for families and children, particularly vulnerable families.

As such - and to ensure a continued bi-partisanship process on the development of a child care package - I ask that you provide the requested information as a matter of urgency.

Yours sincerely



Jenny Macklin MP
Federal Member for Jagajaga
Shadow Minister for Families and Payments
Shadow Minister for Disability Reform
Acting Shadow Minister for Early Childhood

(7) April 2015



Jenny Macklin^{MP}

Federal Member for Jagajaga

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The Hon Scott Morrison MP
Minister for Social Services
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Mr Morrison

I write following my letter of 17 April regarding repeated requests for information about the impacts of the Government's proposed child care package.

Despite commitments given during discussions with the Shadow Minister for Early Childhood, Kate Ellis and myself over three weeks ago, as well as subsequent requests, the promised information has still not been received.

Without access to detailed modelling of the impact changes would have on particular families and children, Labor is not in a position to properly consider any proposals put forward by the Government.

Labor has entered discussions on child care policy in good faith and we still want to work with the Government to improve the affordability, accessibility, flexibility and quality of Australia's early education and care system. However, time is rapidly running out for any meaningful discussions to take place before the Budget.

As you know, Labor's position is that reforms to early education and care must address the dual goals of workforce participation and children's development. It is also Labor's priority that any changes to early education and care policy must ensure Australian families are better off, and that disadvantaged and vulnerable children, and low and-middle income families are protected.

I understand our offices are in the process of arranging a further meeting and I will await confirmation of an appropriate time. I trust the requested information will be made available as a matter of urgency in advance of that meeting, so that discussions might be worthwhile.

Yours Sincerely

Jenny Macklin MP
Federal Member for Jagajaga
Shadow Minister for Families and Payments
Shadow Minister for Disability Reform
Acting Shadow Minister for Early Childhood

27 April 2015





Jenny Macklin MP

Federal Member for Jagajaga

C6

The Hon Scott Morrison MP
Minister for Social Services
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Mr Morrison

Thank you for your letter of 27 April 2015.

From the outset, it has been Labor's position to engage constructively with the Government so Australian families can benefit from quality, flexible and accessible child care that is more affordable.

I am disappointed that after the Government's claims of a collaborative approach to child care reform, and our engagement in good faith, we have not yet received promised information about the impacts of the Government's child care proposals.

This is despite considerable correspondence to you from Kate Ellis and myself, and our offices, dating back to 13 March requesting information about the impacts on families of the Government's proposed changes to the child care system. In recent exchanges with your office we were given the impression this information would be forthcoming.

I refer to your letter and statements yesterday that the Government will pursue the Family Tax Benefit cuts currently before the Parliament.

As we have consistently stated, Labor is committed to the principle that reform must address affordability issues and the out of pocket costs of Australian families – not just limit Government costs. Similarly, that we believe that vulnerable and disadvantaged children, and low and middle income families, should be protected under any changes. Therefore, the impact on families of any savings the Government puts forward to pay for child care reforms must be considered, to ensure Australian families are not worse off under your Government's changes.

This underlines the importance of the modelling data that we have requested about the overall impact of the Government's child care changes, including the impact on families of your proposed savings.



Labor will continue to engage with the Government, and in the child care policy debate, in a constructive way. I look forward to advice from your office about when a detailed briefing on the impacts of the Government's child care changes, as indicated in your letter, can be scheduled. However, for that discussion to be meaningful, the data we have requested should be provided in advance.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Jenny Macklin', with a stylized, flowing script.

Jenny Macklin MP
Federal Member for Jagajaga
Shadow Minister for Families and Payments
Shadow Minister for Disability Reform
Acting Shadow Minister for Early Childhood

29 April 2015