

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates 25-26 February 2009

Question: aet 11

Topic: Labor Election Promise to Rate Child Care Centres

Hansard Page: Written

Senator EGGLESTON asked:

Part of the Rudd Government's election platform was the promise that all child-care centres were to be rated from A to E. The objective of the election promise was to encourage centres to improve their services with the aim of improving their rating. The Government's own expert panel has warned that such a scheme could lead to fee rises and parents leaving the workforce to care for their children rather than placing them in lower-ranked centres.

1. Is there any evidence that simple rating systems improve efficiency?
2. Has the Productivity Commission been invited to report on means to improve the quality of child care centres?
3. Given the complex nature of the service provided by child care centres and the variety of ways the quality of their service can be measured, is there much merit in ranking centres in this way?

Answer:

1. The Productivity Commission has not been commissioned to research this matter.
2. No.
3. The Productivity Commission has not been commissioned to research this matter.