

SUBMISSION INTO CHILD CARE AND EARLY CHILDHOOD LEARNING - BANKSTOWN FAMILY DAY CARE CO-OPERATIVE LTD.

Introduction.

It is understood that affordability and the National Quality Framework are the general topics under discussion. It is considered that different forms of childcare need to be examined separately, so that the conditions of one form of childcare, does not impact negatively on another unnecessarily. However, Family Day Care is the area specifically covered in this submission.

Bankstown Family Day Care Scheme is a stand alone, not-for-profit co-operative, located in South-West Sydney and established in 1977. The Bankstown Family Day Care Scheme, one of the largest stand alone services in NSW, operates in an area which has a wide range of cultural diversity, a higher than average birth rate and a relatively low social economic climate, with a high demand for affordable child care.

Currently, the scheme has approximately 145 registered educators, who all hold the minimum qualifications or higher. The staff qualifications range from Diploma in Child Studies to Dip. Teach ECE, UWS, this together with various work place training qualifications.

Operation

Over the many years of operation, since 1977, there has been numerous changes to the operational requirements of a Family Day Care Scheme. Included in these changes is the National Quality Framework. These changes have all been successfully implemented within this service.

A simple example of this is as follows;

A letter from Deb Rollings, Branch Manager - Early Childhood Education and Care Service Policy with two papers was received by the service in November 2013.

- Key Obligations of a Family Day Care Service, and
- Family Day Care Business Model.

Of all the requirements that were set out in this letter and accompanying papers, there was only one point that Bankstown Family Day Care did not, at the time comply with. This related to fee setting and recommended fees. The scheme was then, operating on the basis of a recommended fee, rather than setting the fee. However, All educators choose to adhere to this recommendation. This procedure was adopted based on previous directions given by the then Government instrumentality. That advice was given some years ago. The fee is no longer a recommendation, but a set figure that all Educators are in accord with.

Without doubt it can be said, that Bankstown Family Day Care is one of the very few if not the only service in NSW that can categorically say that they comply with all other requirements.

However, the latest change to take place, that is, the change to childcare ratios from 1:5 to 1:4, for under school aged children will have the largest negative impact of any change that has been experienced in the past.

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Up until December 2013 approximately 85% of our educators have had five (5) under school aged children in their care. If they did not, it was by their own choice. Essentially, the service was operating at full capacity, with between 750 and 850 children in care, depending upon the time of the year.

Over a relatively long period there has been a high retention rate of four year old children. The service, via the staff and Educators have for many years carried out a very successful Preparation for School Program for these children.

Effects of Ratio Change.

The ratio change from 1:5 to 1:4 for under school aged children will have an adverse effect in many ways as follows:

1. Possible reduction in the income for Educators.
2. An increase in the fees to the parents.
3. Reduction to the Operational Assistance.
4. The loss of childcare places in the service.

Items 1. and 2.

The reduction in income to the Educators who had five (5) children in care is 20%. This is an enormous loss in income for them to accommodate. Say, five (5) children at an average of eight (8) hours per day at a fee of \$5.45 per hour, our previous fee. This would equal approximately \$53,000 per annum. A decrease by 20% would lessen this to \$42,400.

The easy way to overcome this would be to increase the fees by 20% thus reducing the affordability of the childcare.

The question to be asked on this basis is, "Can the parents afford to pay an extra 20%." For example, a parent with a child in care for eight (8) hours per day for five (5) days represents an increase from \$218 per week to \$262 per week.

In order to soften the impact of this to both educators and parents, Bankstown Family Day Care has increased the fee by 12% from February 2014 with a further increase of 3% in July 2014. The July increase would include any CPI increase.

This to date has been accepted by the educators without a mass exodus, it remains to be seen whether the parents will find this to be affordable.

With respect to Item 3., theoretically, the service will still have the same number of educators and the same staff, but will suffer a substantial loss in the Operational Assistance.

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This service is not overstaffed as each Co-ordinator is currently allocated approximately twenty five (25) educators.

Co-ordinator's duties in summary are:

- To monitor the care that is being provided.
- To report on all aspects including the progress of the children.
- To plan, prepare and present Inservice training as required.
- To provide the program support and advice to the educators as required.
- To act as a liaison person between educators and parents.
- To ensure that educator's premises are appropriate.

It is considered that their duties cannot be easily changed if the quality of the childcare is to be maintained in accordance with the National Quality Framework and Regulatory requirements.. It is foreseen that these will need be some re-structuring of these duties if the number of educators can be increased, so as to compensate for the loss of places available for care. Bankstown Family Day Care will endeavour to recruit and train a number of new educators to compensate for the losses of income and child care places available.

The result of Item four is obvious, there will be a reduction of the number of child care places available in the Family Day Care services in NSW. How many places remains in question. It will depend on the structure of the individual services. At Bankstown Family Day Care there will most likely be a loss in the order of 15 to 17% of places that have been available, with the service operating with a 1:5 ratio for under school aged children.

With respect to the number of lost places. It has been said in some Governmental circles that the new, small, Private for Profit Family Day Care services, which are now popping up, will make up for the loss in child care places. There may be some truth in this, but, these new services are actually poaching from established services with the opinion offered by some educators that they will be subjected to less scrutiny and less "paperwork" with these new services. This cannot be substantiated with hard evidence, but the information has been provided on a verbal basis by those involved.

It is considered the quality of these services should be closely examined with respect to the following:

- The number, qualifications and experience of the staff.
- The methods of screening potential educators.
- The prospective educator's premises, initially and ongoing.
- The assistance given to educators and the ongoing inservice training provided.
- The monitoring of the educator's performance over time.

Comparatively, it appears that existing services are subjected to very rigorous checking procedures while some new services have been started with very few checking procedures ever having been carried out. These new, for profit, private services, may produce some new places, but, what is the quality and standard of the child care that is being provided?

There are no winners as a result of the changes in the child care ratios.

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Comment

As with many other services, it appears that divided control for Family Day Care Services does not produce an efficient and stable service. The financing and Quality is controlled by the Federal Government and the Regulation by the NSW State Government. It appears that there are differences in opinion as to how best to achieve the required quality, affordability and efficiency in Family Day Care services.

"Family Day Care Is a shambles." This is a comment that has been reportedly made by a person of some importance. Regardless of who made this statement, it is considered to be a true situation.

It is fully understood that the State Government has the control with respect to child care ratios in NSW. This submission will be sent independently to the Minister responsible, The Hon. Adrian Piccoli.

The following statement may provide grounds for anger, denial and various comment, but, it is seen to be basically true. It is considered that the decision to change the Family Day Care child care ratios from 1:5 to 1:4 under school aged children was made on the basis of bureaucratic, academic evidence rather than a practical examination of the situation.

The provision for educators in Family Day Care to be capable of caring for five (5) under school aged children has been allowed for many years. There is really no demonstrated evidence to clearly indicate that this was a failure or did not provide the satisfactory standards of care.

Surely the qualifications, learning and experience of the staff and management of well established and proven services should be given recognition. They would be in a far better situation to evaluate and determine if an educator was capable of caring for five (5) under school aged children. This would be a far better and more practical manner of making the determination, rather than a blanket situation that covers all.

Some educators may not be evaluated as having sufficient experience to care for five (5) under school aged children. With training, assistance and experience, these educators could develop to the stage where they would be quite capable of and confident to provide care for five (5) under school aged children in a manner that meets all of the requirements.

The time factor for this development should be a minimum of say, twelve months. Some educators, because of their backgrounds and general experience may develop the skills required, at a much quicker rate than others. It is stressed that the service needs to be a well established service with appropriately qualified and experienced staff in order to be capable of making these evaluations.

These well established services have developed their policies and operations over a long period. They have experienced the problems and difficulties that can arise from time to time. As a result of this experience, they develop the skills required to evaluate and make the decisions necessary to determine if and when an educator is capable of providing the quality of care that is an absolute for the care of five (5) under school aged children.

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Recommendations

It is recommended that the 1:4 ratio for under school aged children be modified as follows:

1. A well established Family Day Care Service, with a minimum of at least five (5) years operational Family Day Care experience, should be given the authority to evaluate and determine whether an educator is capable of providing the quality/standard of care required for five (5) under school aged children.
2. New educators should have a maximum of four (4) under school aged children. Following satisfactory training, experience and development, these educators could progress to five (5) under school aged children.. When they are assessed as being capable of providing the care to the quality/standards required. The minimum time for this progression to be twelve (12) months.
3. The educators of new services should be limited to a maximum of four (4) under school aged children. When the service is deemed capable of determining the ability of the educator, a minimum of five (5) years. The educators should be treated in the same manner as the educators of a well established, experienced Family Day Care service.

Conclusion

From the general announcements and policies that have been released, from time to time, it is understood that the aim is to provide affordable child care in accordance with the National Quality Framework and Regulations. If these recommendations were adopted, it would be a major step forward in meeting the requirements.

1. Costs to parents could be reduced.
2. More child care placers would be available.
3. Family Day Care Services would be assured of a stable and better financial situation in which to operate.
4. Educators could receive an income which is in keeping with the services that they provide.
5. Educators would feel more secure in their position, at this stage there are some feelings of insecurity because of the doubt with respect to the ability of the parent to pay the increases as well as the future of Family Day Care Services.
6. It is very difficult to turn back the clock, therefore, it cannot be categorically said that Bankstown Family Day Care will reduce the current fees immediately.
7. However, if the 1:5 ratio for under school aged children is restored, there will be serious discussion with all "stakeholders" before a final decision is made. The outcome of these discussions may be that further annual increases, that normally would have occurred would be deferred, until the fee level that would have normally happened under CPI increases has been achieved.

Kenneth Brian Kay,

Secretary/Treasurer, Bankstown Family Day Care Co-operative. Ltd.,

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Request

As advised in this submission, Bankstown Family Day Care Scheme is a large, stand alone, not-for-profit, community based service that has been in operation since 1977.

It is felt that we could provide significant input into the Productivity Commission Inquiry for Child Care and Early Childhood Learning, when Family Day Care Services are being examined and are under discussion.

It is therefore requested that relevant scheme representatives be given the opportunity to take part in this Commission, when it is examining the areas related to Family Day Care Service Provision.

Kenneth Brian Kay,

Secretary/Treasurer, Bankstown Family Day Care Co-operative Ltd.,