

Productivity Commission Inquiry into Child Care and Early Childhood Learning. Submission from Julie Toth, 3 February 2014.

I wish to address the specific issue of the **availability** of pre-school childcare, kindergarten and school holiday care places. This submission is based on my experiences and those of my friends and colleagues in the inner city areas of Melbourne and Sydney over the past decade. I currently have one child in kindergarten and two older children who use after-school care and school holiday care.

1. Availability of pre-school childcare and kindergarten places

I believe the current system of planning, implementing and allocating childcare and pre-school education places is inefficient, inequitable and in many cases arbitrary and illogical.

The current system of planning, providing and allocating pre-school childcare places is, in most locations, controlled by the local council and/or by individual childcare centres. Many individual childcare centres are run by non-profit groups who may be well-meaning and may know how to care for a baby or toddler, but they have no expertise in planning, allocating or managing their services. There is currently no market-based or centralised system that creates and allocates childcare places in a logical manner. That is, there is no price signal (prices are fixed and you cannot 'bid' for a place) but nor is there a centralised planning or allocation system based on demographic, socio-economic or other visible factors to plan and regulate the number of places on offer.

Further, there appears to be no visible, logical or consistent rules followed by the current organisations (councils and individual childcare providers) in allocating the few places that are available. This is why so many stories abound about long waiting lists, desperate parents and arbitrary exclusions. I have experienced and/or seen many such examples first hand. For example:

- Some councils and childcare centres allow parents to put their children onto childcare waiting lists before they are born (or in some cases, before they are conceived), others do not. Some councils & centres want to see a birth certificate before they will add the name to their list;
- Councils and childcare centres give vastly different weightings and preferences in their waiting lists to parents who are studying/working/disabled/non-english speaking/single/poor/living locally/ renting/ old/young/ have more children/have siblings already in care or are otherwise especially needy. There is no consistency in defining 'special needs' and no clear reasons as to why some of these 'special needs' criteria are given a higher priority or more weight than others;
- Some councils allow you to transfer from one waiting list to another at about the same spot (e.g. if you move suburbs) while others force you to start all over again because you have relocated;
- Some councils and childcare centres ask for private and sensitive information just to get onto their waiting lists, or demand information that is not justifiable. e.g. asking to see a complete copy of your last tax return instead of just asking for a statement of your income, or asking to see your employment records to 'prove' you are permanently employed and not just casual, or demanding to see your student enrolment confirmation for next year (or even the year after) when enrolments haven't been issued by your university or college yet;

- How is it possible for councils and childcare centres to have waiting lists of up to two years for babies' rooms that cater for children aged 3 to 12 months? If the waiting list is two years long, then how does anyone get in at 2 or 3 months of age? There is something seriously wrong with this situation. At the City of Yarra, a friend was 'struck off' the babies' waiting list entirely for questioning too loudly about this very obvious and ridiculous anomaly;
- Council staff arbitrarily removing families from waiting lists because they were being 'difficult' or 'demanding' (i.e. they were too obviously desperate for childcare). I know of two families who were told that they were being removed from the council's waiting list because they were 'hassling' the poor waiting list administrator and/or being too demanding, when in fact they were simply trying to get a straightforward answer about how long the waiting list was, how long they could expect to wait, and why;
- Council and childcare staff telling people there is no point even putting your child's name on the waiting list because you will 'never get in';
- Council and childcare waiting lists that are jealously (and in some cases rather insanely) guarded by a single over-zealous employee, with no supervision, monitoring or checking from management or executive;
- Allowing families to pay for childcare they are not actually using just to 'hold the spot' for later. I know of families paying for childcare places that they are not using for up to a year, so that they do not 'lose their place' for when they will need it later (e.g. paying for a baby's place when they don't need it until the child is one or even two years old).
- Arbitrary allocation of the number of days that are available. It is almost impossible to get the full amount of childcare needed, so this forces many parents to apply for more days than they actually need, in the hope of getting at least some of them. For example, it is common practice for parents needing 2 or 3 days to apply for 5 days in the expectation of getting only 3. This means that those of us who genuinely need 5 days of care have a reduced chance of getting it, because the childcare centres cannot identify the genuine requests from the ambit requests.

In order to address these problems, several things need to happen. I don't know how to make them happen but I hope you can come up with some sensible recommendations to enable these:

1. **Improve availability** so that there is a better match between supply and demand. We have enough primary school places for all children in approximately the right locations, so why do we never have enough pre-school places in the right locations?
2. **Improve the forward planning** of childcare places and facilities. Local councils do not have the skills or resources to identify and plan for childcare demand in advance. This planning function needs to sit elsewhere in government, with appropriate demographic planning skills devoted to it. Such planning could logically sit with state education department planning functions, although they would need to be able to move very quickly in response to changes detected in birthrates or other demographic demand factors for childcare in each locality.
3. **Find a better method of allocating childcare places.** The current arrangement of ad-hoc and arbitrary waiting lists is a nightmare and urgently needs to be overhauled. Ideally there should not be any 'waiting lists' (or at worst, only short ones), but until the problem of under-supply is addressed, then the problems inherent in the waiting lists need some serious attention. At the very least, the waiting lists should all follow the same structure and priorities, in the interests of promoting fair, equal and transparent access for all parents.

2. Availability of school holiday care for school aged children

I would like the Productivity Commission to acknowledge the huge gulf that exists between holiday dates for school students (and their teachers) and the rest of the community. Currently, primary school students typically have around 12 weeks of school holidays, including 6 weeks in summer and 3 breaks of 2 weeks each between each school term. State schools typically have 5 'curriculum' days off per year as well, bringing the total number of non-school days (excluding public holidays) to 13 weeks per year. Some schools have even more, especially in the private school system.

In contrast, most permanent employees have only 4 weeks leave per year, excluding public holidays. So if both parents are working, they have a combined maximum total of only 8 weeks leave per year, and that would only be achieved if working parents never took their leave at the same time (making family holidays all but impossible). This means that for working parents, access to childcare during school holidays is of paramount importance to being able to hold down a permanent job. School holiday care is however, not considered essential by all schools. It is not available in all locations and for all school holidays. It is rarely if ever for example, provided in the last week of December and the first one or two weeks of January, or during Easter, due to the public holidays at these periods.

School holiday programs are easily disrupted or cancelled due to extreme weather or inadequate enrolments etc. I know of a number of school holiday programs being run out of council halls and similar older public buildings that were closed due to extreme heat in January 2014. This forced parents to take unscheduled, unpaid leave from work. In some cases, parents had to take their school children to work, which is most unsuitable and should always be a last resort.

The assumption that kids can go stay with a grandparent or other relative for school holidays is outdated and unrealistic, given the high proportion of our population born overseas or in places away from their current location. Even if grandparents or other relatives live locally, parents cannot assume that they are available, willing and able to care for their children. Families that have such relatives available for holiday care should consider themselves extremely fortunate indeed.

How to address this gap? Either reduce the (excessive?) amount of downtime in the school year and/or increase the availability of childcare to cover ALL school holidays and scheduled days off.

3. Affordability and funding of childcare

I do not intend to address the issue of **affordability** in this submission as well. That is a whole other can of worms. In most cases, pricing signals are the best market-based method of allocating scarce resources. However, if we accept that childcare and pre-school education essentially have the same beneficial characteristics as primary and secondary school education and that they should be universally available to all families in a similar manner and for similar reasons, then pricing cannot be used as a method of allocation. If pricing cannot provide the signal that markets need to provide the right quantity and type of services in the right locations, then other methods of effective and efficient planning and allocation must be found to meet our society's childcare needs. Urgently.