

## CHILDCARE AND EARLY CHILDHOOD LEARNING

# PRODUCTIVITY COMMISSION

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### Introduction

Only About Children (Oac) is a privately owned childcare group, providing high quality early education and care to families in 31 campuses in Sydney, Canberra and Melbourne. We focus on child wellbeing and best practices through consideration of successful educational practices combined with current research and an understanding of what today's families are looking for in childcare. At Oac, this has resulted in a service that embraces education, health and development of the children in our care. We believe this to be the way forward for early childhood education in the 21<sup>st</sup> century.



### Desirable Outcomes over the Next Decade

• Implement achievable goals and actions that enact change that will genuinely raise the level of quality of early childhood care with the objective to bring it in line with other first world countries.

### Flexibility of Operating Long Day Care Centres

- Lengthening the hours of service provision would allow greater flexibility for parents in the
  workforce. We are not in support of wholesale changes but rather some relaxing of the
  restrictions to allow each service some flexibility to suit their community's and customer's needs.
  We recognise that there is a demand for those working within the 24/7 economy however we are
  cautious of wholesale changes to meet this demand as we believe this may not be in the best
  interest and wellbeing of the child. We would recommend a limit on the number of hours a child
  could attend on any given day.
- Our recommendations include working with local councils to extend allowable hours of operation and ensuring that these longer hours are affordable to the provider (i.e. no wages loading etc).

### **Government Funding**

- We support the model that provides funding directly to families. We strongly believe that means testing the CCR would have an adverse effect on Australia's productivity as it would lower the participation of experienced professional women in the workforce.
- Currently the most costly group to provision care for is the 0-2 year group, due to current staffchild ratios. Increased government funding for families with children in this age group would be of benefit to allow parents to re-enter the workforce earlier.
- Funds going to paid parental leave could be reduced and allocated to childcare. We believe that a portion of this allocation could go to funding health and development services to all pre-school aged children, such as screening for sight, hearing and speech developmental concerns.
- In our experience, while we recognise the current funding model is multi layered, we do not believe this is a material impediment to accessing such funds. All Oac families are educated through our induction process on full extent of Government support for childcare and this ensures most Oac families receive their full entitlements.

### Employer Provided or Funded Long Day Care

- We recommend further consideration be given to FBT exemption status, making it more straight forward for Companies to provide access to childcare places, especially for small to medium enterprises. The current structure of employers providing the service in-house favours Companies of significant scale.
- In our experience, we believe that there are service quality concerns with those Companies that provide in-house childcare. 21<sup>st</sup> Century childcare is not something that can be an adjunct to a business that is not in the childcare industry and does not have the expertise. Childcare services, in our view, need to be provided by a team of professional administrators and educators who have expertise in this area. To this end, we believe the solution for providing tax incentivised childcare should not be limited to in-house provision but embrace third party service providers.



### Workforce Planning

- We support the changes to child ratios as set out in the NQF, however these need to be adopted nationally and each State or Territory should be forced to comply. For example, NSW will maintain a ratio of 1:10 for 3 – 5 years olds even though the NQF stipulates a ratio of 1:11.
- We support the transition of all employees being required to hold (or be working towards) an early years childhood qualification.
- We strongly feel that greater collaboration between the various bodies that provide pathways and funding for gaining qualifications is required.
- Currently the funding pathways and government incentives are confusing and the information is
  not easily accessible. This needs to have a stronger focus so that small to medium services are
  able to access all accessible funding.
- The current labour shortage of skilled and qualified early childhood professionals places
  restrictions on companies to adequately source candidates. The Government needs to review the
  visa restrictions (specifically as it relates to the remuneration caps) to allow candidates to be
  sourced from overseas.
- Consideration of recognising overseas qualifications through ACEQA needs to be reviewed as
  this is a lengthy and administrative process that slows down sourcing strategies to attract
  experienced and qualified individuals from overseas.

### Barriers to Supply of Long Day Care Places

- It is our experience, as both operators and developers of child care centres, that the process of
  obtaining a development consent is very protracted. Furthermore, the restrictive nature of the
  consent conditions that are commonly attached to successful applications are a major
  disincentive to the supply of childcare places in our communities.
- We recommend the following changes would lead to supporting further supply;
  - When considering car parking, the local Authorities should refer to their own DCP rather than the RMS guidelines.
  - Change the classification of 'childcare centres' in planning legislation to 'an educational facility'. This would ease the restrictive consent conditions applied to any development application.

### Importance of Preschool

- There is a need and an opportunity to put greater import on child development in the preschool setting.
- Case study: Oac has its own unique preschool program (Oac Grow) that positively impacts
  children's learning and development and preparedness for school. This program is clearly
  outlined and we would be happy to share our experiences and learnings in this area in depth.

