



**SUBMISSION FOR SENATE INQUIRY**  
**Education and Employment Legislation Committee**

Family Assistance Legislation Amendment (Jobs for Families Child Care Package)  
Bill 2016, and the Social Services Legislation Amendment (Family Payments  
Structural Reform and Participation Measures) Bill 2016

September 2016

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## ABOUT US

The Australian Home Childcare Association Inc. is the national peak body for the Commonwealth funded In-Home Care program (IHC) and Home Based Childcare in Australia. We are a volunteer representative organisation that provides advocacy for the IHC community and representation for our members from both community and private sectors. Our members work in all forms of Home Based Care: In-Home Care, Family Day Care, Nanny Pilot Programme and Private Nanny Agencies. This broad service base allows us to provide well informed opinions on matters relating to the Home Based Childcare Sector. We work closely with government departments and other early childhood professional PEAKS to advise and advocate at a local, state and national level. Previously known as the National In Home Childcare Association Inc. the association was first established in 2004 and changed the name in 2014 to encompass all aspects of Home Based Care.

## OUR PERSPECTIVES ON THE BILL

We congratulate the government on the work already done to improve the Family Assistance System. We were pleased to see the Child Care Sector returned to the Department of Education and believe it is best placed within this portfolio.

We would like to make comment on some of the details under the Bill.

**Child Care Subsidy** - Australian Home Childcare Association believes the funding model is workable and a single payment is appropriate for Childcare Care Subsidy (CCS). However, at this time, Home Based Care models have not been considered a form of "Approved" service in the Bill and hence families currently requiring IHC have not been provided eligibility for CCS. There are currently 62 IHC services nationally providing care to more than 6000 marginalised or vulnerable children per week who would be omitted from the early childhood education and care system by the Bill in its current form (based on 2013 Census, this figure is anticipated to be currently much higher).

**Home Based Childcare Services Inclusion in the Bill**– Australian Home Childcare Association would like to see the inclusion of the In-Home Care Programme in the Bill as an **Approved** form of childcare in-line with the programme's categorisation in the current legislation. This would ensure the children of those families who require more flexible childcare arrangements and vulnerable families and children are a legislated inclusion in Australia's main childcare system.

Approved In-Home Care forms an important contribution by the Federal Government to the greater National Child Protection Framework in that IHC is particularly targeted towards marginalised and vulnerable children and families. There is no other such service included in the Bill. By removing IHC from the "Approved Providers List" Australian Home Childcare Association is concerned that the Government is in effect abandoning the marginalised segment of the community that the In-Home Care Programme currently cares for and is in breach of the COAG commitment towards the National Child Protection Framework.

Home Based Childcare is the logical solution and using the existing infrastructure and networks of the Government's IHC programme is reasonable, practical and eminently defensible, especially as it has a

15 year track record of successful provision of care. The current IHC programme has been capped, and working with an eligibility criteria aimed at the most vulnerable families. Services employ “The Priority of Access” guidelines to support the criteria which then, due to the limited places, prevents many working families from being able to access the service. Investment into this crucial service can have returns as families are supported to remain in the workforce and at a more fundamental level supported to remain as a family unit. Often the support of the IHC service can prevent children becoming part of the Child Protection system or Out of Home Care.

With an expansion of capped spaces, revision of the eligibility criteria and access to CCS (& ACCS), IHC can meet the needs of families targeted by the Nanny Pilot Programme and the current In-Home Care Programme.

**Activity Test** – Australian Home Childcare Association would like to ensure the detail of this test has been fully considered as the reduced access to early childhood care and education can have a lasting impact throughout a child’s life. It is becoming more and more widely understood that early education is imperative to outcomes for children in later life and hence the prosperity of the nation as a whole. The “Early Learning, Everyone Benefits” Campaign highlights that “the greatest return on educational investment is made during the first five years”.<sup>1</sup> While the 2006 report by the Australian Research Alliance for Children and Youth reads “commitment to high-quality early childhood development would cost a significant amount of money upfront, but it would have a substantial long-term payoff (37). It would reduce costs for remedial and special education, criminal justice, and welfare, and it would increase income earned and taxes paid”.<sup>2</sup> Recently, on the 18 September, The Age published an article which asserted that raising high achieving children required investment in early education during preschool years”<sup>3</sup>

Australian Home Childcare supports the proposed exemptions from the Activity Test and believes it is important that families exempt from the Activity Test have access to 18 hours of care to ensure two full days’ early education and care for all children.

Australian Home Childcare advocates for exemptions to the Activity Test to also be applied to any Home Based Care Programmes.

**Child Care Safety Net** - Australian Home Childcare Association is supportive of the inclusion of the Additional Childcare Subsidy (ACCS) but advocates for the Additional Childcare Subsidy (ACCS) to be available to vulnerable children requiring Home Based Care. There is no firm provision for this in the current Bill.

Australian Home Childcare Association highlights that the current form of the ACCS, being 120% of the respective fee cap, may not be sufficient funding to ensure Home Based Childcare for children at risk (child wellbeing) is a viable option for the family.

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<sup>1</sup>Everyonebenefits.org.au

<sup>2</sup> The Australian Research Alliance for Children and Youth. 2006. *Early Childhood and Long-term Development: The Importance of the Early Years*. P.10

<sup>3</sup> Blair, Linda 18.09.16 *Six Ways to Raise ‘Super Siblings’* The Age: <http://www.theage.com.au/comment/how-to-raise-supersiblings-20160913-grf01s.html>

**Funding Changes to Services** – There are many changes occurring to services with the removal of the Community Support Funding and Budget Based Funding. Transition arrangements for existing services should be considered and articulated to affected services to assist with progression to varied business models and future planning for both the service and impacted families.

## THE WAY FORWARD

As the peak body for IHC, Australian Home Childcare has the experience and the skills to work with the ACECQA and the Government to put in place the regulations and address the red tape for a new Home-Based Childcare sector.

We recommend that:

1. IHC is included as an Approved service in the Bill.
2. The IHC eligibility criteria be revised to better suit the needs of families so that families can use a more flexible combination of IHC and mainstream services.
3. The IHC programme (current form or new Home Based Care form) is expanded by removal or expansion of the capping of places.
4. The programme is adapted to sit under the National Quality Framework to ensure quality care for all children.

## OUTCOMES FOR GOVERNMENT

- Assurance that families accessing the current IHC Programme and Nanny Pilot Programme will not be disadvantaged by the Bill
- Extending and modifying the IHC eligibility criteria will provide an **immediate solution** for more families and the Government;
- Child safety and protection improved;
- Increased flexibility for families;
- Increased competition within the sector;
- Increased work participation;
- Increased productivity;
- Increased PAYG tax by formalising nanny care and reducing the cash based industry.

## OUTCOMES FOR FAMILIES

- Qualifications and Quality in Home Based Care –Educators/Nannies/Carers to be suitably qualified and be supported by an Approved Service Provider;
- Care is supervised by Approved Childcare Provider who will oversee safe work practices, educators are fully screen, and supported;
- Access to a trained and experienced early childhood professional through a Service Provider/Coordination unit;
- Access to early childhood education and care where no other services are available (rural/remote);

- Flexibility, security and reassurance in a safe, nurturing environment in the family home;
- No more struggling in the traffic/public transports to reach the Early Learning Centre on time and then having to deal with late pick up penalties (estimated on an average of \$20 for the first 15 minutes, then \$20 for every 15 minutes per family for the first offence that reaches \$50 of the second and subsequent offences.)

## OUTCOMES FOR CHILDREN

- Quality education and care improving outcomes in later life;
- Formal care setting with opportunities to socialise in larger groups via playgroup/outings;
- Security of their own homes and beds for overnight care.

## OUTCOMES FOR EDUCATORS

- Formal workplace with all associated benefits: PAYG tax, workcover, superannuation, holiday pay; career path and professional development;
- Formal support network and monitoring of quality and education programs.

## CONCLUSION

Proposed changes under the Jobs for Families Package will support the simplification of the existing system. Too many families are struggling under the burden of a system of patchwork regulation and unregulated childcare because of the lack of flexibility in the current system. Thoughtfulness is needed to ensure that **all** families, regardless of their situation or location, will be catered for with an investment into Early Childhood and in turn, Australia's future prosperity.

We recognise that the IHC sector is currently a small component of the childcare mix, but cannot stress enough the importance of the intervention, support and skill development for vulnerable families and children.

IHC is at the leading edge of a solution for families who require greater flexibility in care arrangements or have difficulty accessing mainstream childcare services. IHC can cater for non-standard working hours, shift workers, rural/ remote areas, children or parents with a disability and vulnerable families. However, the current eligibility criteria and capped places is preventing this service from being fully functional to all families who require Home Based Care. Australian Home Childcare Association would value the opportunity to be included in any roundtable discussion and be part of the solution for families.

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