



## Family Day Care Australia

# AUSTRALIAN FEDERAL ELECTION 2016

“ Working together to ensure stronger outcomes for children in the family day care setting: A request for election commitments for the Australian Federal Election 2016.



Family DAY CARE AUSTRALIA

# Family Day Care Australia is calling on all political parties to support:



## 1. Quality

Support the delivery of professional, high quality early learning for children.

### We ask that you:

- Contemporise Government dialogue on family day care to recognise the sector as a quality, professional, valued service.
- Support professional empowerment for early childhood education and care educators to ensure the highest quality outcomes for children.



## 2. Accessibility

Make child care places available to all children, including those in disadvantaged, regional and remote communities, and children with additional needs.

### We ask that you:

- Ensure access for vulnerable and disadvantaged children through easy-to-access, regulated, ongoing subsidies for children at risk of abuse or neglect.
- Commit to two days of subsidised early childhood education and care per week for all children regardless of their parents' activity.
- Recognise that family day care, due to its agility and lower start up costs, is well placed to provide services in areas of unmet demand.



## 3. Affordability

Increase investment into child care and provide equitable funding across service types.

### We ask that you:

- Increase investment in the early childhood education and care sector.
- Ensure funding and policy frameworks treat service types equitably.



## 4. Flexibility

Facilitate services and educators to provide non-standard hours and part-time care.

### We ask that you:

- Acknowledge the capacity of family day care to lead the provision of subsidised and regulated flexible care.
- Ensure funding frameworks reflect the higher costs of providing non-standard hours and part-time care.



# Message from the CEO

Family Day Care Australia (FDCA), is the national peak body for family day care.

Through collaborative national advocacy, a strong research evidence base, and high public visibility, FDCA represents, supports, and promotes the sector in delivering quality outcomes for children.

We are an apolitical, independent, not for profit national peak body that represents a national membership of over 24,000 educators and 800 approved services.<sup>1</sup>

Together with sector stakeholders we are working towards a stronger future for family day care.

Family day care supports more than 123,910 families across Australia, providing early childhood education and care for 220,850 children.<sup>2</sup> This accounts for approximately 18 per cent of the early childhood education and care (ECEC) sector.<sup>3</sup>

Governments and families share a common interest in an ECEC framework that delivers quality, affordable, accessible and flexible early learning options.

Investment into quality ECEC has proven long term economic and social benefits.<sup>4</sup> Furthermore, affordable, accessible and flexible ECEC supports workforce participation and economic growth.<sup>5</sup>

Family day care is unique in its capacity to support and deliver these shared, but at times conflicting political and social objectives.

The sector has the agility to reflect the socioeconomics of its communities and to quickly and efficiently address unmet demand. Family day care tailors service delivery to suit the individual needs of children and, as the largest provider of subsidised non-standard hours care, is meeting the changing needs of families amidst an evolving Australian workforce.

Family day care does all of this, while operating under the National Quality Framework. FDCA supports increased investment into ECEC and recognises the need to streamline the current child care subsidy system.

We acknowledge the commitment toward these outcomes in the proposed *Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2015*; but there is scope to achieve more.

We encourage Australia's next government to leverage and support family day care as a vital component of an ECEC system that our children, families and communities need and deserve.

To this end, herein we detail the commitments that FDCA, on behalf of the services, educators and children in family day care request of our incoming government.

**Andrew Paterson**  
CEO, Family Day Care Australia

1 FDCA Administrative data 25 May 2016.

2 Department of Education and Training, (2016) *Early Childhood and Care Summary: June quarter 2015*, p.3.

3 Ibid.

4 Australian Institute of Health and Welfare *Literature review of the impact of early childhood education and care on learning and development Working paper* Canberra 2015, p. 26.

5 Carneiro, P. Heckman J.J. *Human Capital Policy Discussion Paper 821* Forschungsinstitut zur Zukunft der Arbeit Institute for the study of Labor, July 2003, p.144.

## Our Mission

To provide national leadership and foster excellence in early childhood education and care, through strong advocacy, research, collaborative networks and sector innovation.



# Quality

Support the delivery of professional, high quality early learning for children.

## How is family day care high quality?

### Experience

Family day care has a long history of providing quality ECEC and extensive experience. Research shows that almost 40 per cent of educators in family day care have been working in the sector for ten years or more, compared with 28 per cent in long day care.<sup>6</sup> This suggests that there is a long term commitment to family day care from those who work in the sector.<sup>7</sup>

### Commitment to continual improvement

Research recently undertaken by FDCA demonstrates how a high level of professional practice is an element common to quality family day care services.<sup>8</sup> High quality services emphasised a commitment to continual improvement and innovative approaches to professional practice.

*"We are very committed to continual improvement. We always have been in this service. Our business plans, our quality improvement plan, our staff meetings all have sections on there for addressing identified issues that could be improved."*<sup>9</sup>

(FAMILY DAY CARE COORDINATOR)

### Relationships

Family day care service coordinators and educators also emphasise the importance and benefits of educating small groups of children and the close bonds they can form with families, which is unique to family day care.

*"There's an intensity when it's really small (...) The relationships I used to pride myself on (when I worked in long day care) are nothing compared to what I have now with the families."*<sup>10</sup>

(FAMILY DAY CARE COORDINATOR)

## What are the current issues?

Non-compliance has dominated media coverage of the sector and tarnished the reputation of family day care undermining the majority of quality family day care services and educators.

FDCA unquestionably supports the push towards increased compliance within the ECEC sector and the eradication of unscrupulous family day care operators, and is entirely supportive of well considered, proportionate and reasonable statements and policy or regulatory proposals, but we urge you to note that the unscrupulous operators are a minority in the sector.

## We ask that you:

- Contemporise Government dialogue on family day care to recognise the sector as a quality, professional, valued service.
- Support professional empowerment for early childhood education and care educators to ensure the highest quality outcomes for children.

## Why?

- Government buy-in into family day care as a high quality service type will benefit families through facilitating their informed choices when seeking high quality, affordable care options.
- It is well evidenced that high quality early childhood education and care delivered by highly trained educators with ECEC qualifications has huge benefits for children and particularly vulnerable or at-risk children.

6 Williamson, L., Davis, E., Priest, N. & Harrison, L. (2011), "Australian family day care educators: A snapshot of their qualifications, training and perceived support" Australasian Journal of Early Childhood, 36(1), 63-68.

7 Blaxland, M. Adamson A. Cortis, N. (2016) *Perspectives on Quality in Australian Family Day Care*, University of New South Wales, Social Policy Research Centre, p. 6.

8 Ibid. p. 19.

9 Ibid.

10 Ibid. p. 26





# Accessibility

Make child care places available to all children, including those in disadvantaged, regional and remote communities, and children with additional needs.

## How is family day care accessible?

### Vulnerable, at-risk and additional needs care

Due to the low educator-to-child ratios within family day care, continuity of care and a home environment, it is often a very beneficial model for vulnerable and at-risk children or children with additional needs. In New South Wales for instance, family day care is regularly called on to provide emergency services for state agencies. This is especially true in regional areas where the lack of public transport means care is needed close to parents' homes.

*One parent, and family day care educator, spoke of her three-year old son who had autism and the important role family day care played for him. "Being on the spectrum means he is better suited to a small and nurturing early learning environment. Family day care is the only early childhood education and care setting that is suited to him and his developmental needs."*

(FAMILY DAY CARE EDUCATOR AND PARENT)

### A viable care type

Family day care is often the most accessible model of care, particularly in areas of disadvantage, rural and remote areas and pockets of high unmet demand. In small communities for instance, around Casino and Kyogle in New South Wales it is not possible to support a child care centre of any viable size. Travelling to the nearest centre could mean a 20 – 30 kilometre round trip, which adds up, e.g. in fuel costs for a low income rural family.

*"Consequently (in the Casino region), family day care is the only local childcare option that suits families working from home, those without reliable transport, low income households, farmers, and when childcare is being used primarily for educational purposes; that is when parents do not need to travel into town for work."*

(FAMILY DAY CARE SERVICE PROVIDER)

### Lower set-up costs

Family day care is very cost-effective to set up. For instance, for an established service, coordinators have estimated it can take between \$2-5,000 to support

the orientation of a new educator and the costs required to modify their homes in order to comply with the requisite regulations, e.g. secure fencing and safety glass.<sup>6</sup> This makes family day care agile and responsive to the demand for child care.

*"We found the (past) family day care set-up grants very effective in attracting rural educators. Generally, once set-up, these educators established a stable client base in isolated rural areas."*

(FAMILY DAY CARE SERVICE PROVIDER)

### What are the current issues?

- Currently, Special Child Care Benefit can be a structural barrier to access that can be reformed. The most vulnerable children are not receiving fee relief on vital child care due to significant administrative burden to apply; high rates of rejection and the limited scope of 13 weeks relief.
- FDCA is particularly concerned with the negative effects of the proposed activity test that will result in the disengagement of vulnerable children from the ECEC system as a result of limiting access to ECEC fee assistance through a stringent parental activity test.
- Due to funding cuts to operational support, there is limited incentive for family day care services to expand to regional and remote areas.

### We ask that you:

- Ensure access for vulnerable and disadvantaged children through easy-to-access, regulated, ongoing subsidies for children at risk of abuse or neglect.
- Commit to two days of subsidised early childhood education and care per week for all children regardless of their parents' activity.
- Recognise that family day care, due to its agility and lower start up costs, is well placed to provide services in areas of unmet demand.

### Why?

Access to high quality ECEC for vulnerable children, or children in disadvantaged or remote locations is widely recognised as having a significant benefit to their development and life-long socio-economic outcomes.

<sup>6</sup> FDCA Service Reference Group meeting, 6 May 2016.



# Affordability

Increase investment into child care and provide equitable funding across service types.

## How is family day care affordable?

### Costs reflect hours used

Family day care services are consistently more affordable than other comparable service types. The Productivity Commission states that, "(n)ationally, the median weekly cost for 50 hours of care in 2015 was higher for long day care (\$400) than for family day care (\$341). The median weekly cost increased by 4.9 per cent in real terms for long day care from 2014 to 2015 and decreased by 0.7 per cent for family day care over the same period."<sup>11</sup>

The affordability of family day care is in large part due to the fact that fees more closely reflect the hours of care used with minimum bookings ranging from as little as one hour (with an average of four-six hours among quality services surveyed<sup>12</sup>), as contrasted with long day care where a 'session of care' may be up to 12 hours regardless of the actual hours used by the family.

### What are the current issues?

A cap price proposed for family day care that is not transparently and correctly calculated under the Jobs for Families Child Care Package, does not reflect the child care provision offered by the sector and can severely undervalue the sector, resulting in disadvantage to family day care services and educators and the families that rely on them.

### We ask that you:

- Increase investment in the early childhood education and care sector.
- Ensure funding and policy frameworks treat service types equitably.

### Why?

Inequitable treatment of family day care can make child care unavailable or increase costs for parents who rely on affordable care.

<sup>11</sup> Productivity Commission (2016) *Report on Government Services, Chapter 3, Volume B, Early Childhood education and Care*, p.3.36.

<sup>12</sup> FDCA Service Reference Group consultation June 2015.





# Flexibility

Facilitate services and educators to provide non-standard hours and part-time care.

## How is family day care flexible?

### Part-time hours and non-standard schedules

The Productivity Commission reports that family day care is the biggest provider of early childhood education and care for evening care (after 6:30 pm), weekend care and overnight care.<sup>13</sup> The families using this type of care are often shift workers: nurses, police, students or those working part-time.<sup>14</sup>

*"Our educator is available to start earlier and finish later where required. She can collect or drop off our children if required as I travel interstate and internationally for work regularly. My husband leaves for work at 5am and at times we need to access care earlier than most centres open. Our educator also changes days around where possible with other children as my work varies a lot."*

(PARENT OF CHILD IN FAMILY DAY CARE)

### Individual needs

A unique element of family day care is the diversity of activities available to educators that can be tailor-made to their individual children's needs. A distinct feature of family day care is that educators can also adapt their homes and spaces depending on the children's needs. This could be making improvements to their previous set-ups or adapting their outdoor areas. Due to the home-based nature of care family day care, it is incredibly well-suited to deliver care based on the interests of the children who access it.

*"I believe being in family day care you can offer things to children that they can't get in other learning environments. So for example we can - we can go to the shops and learn about money, and buying healthy food and you know, get them to write a shopping list of healthy food and then go to the shops."*

(FAMILY DAY CARE EDUCATOR)

## What are the current issues?

Currently, families accessing family day care are eligible to receive the 1.3333 loading available to family day care and in-home care. These higher hourly rates were included in the original *A New Tax System (Family Assistance) Act 1999* in recognition of the fact that hourly fees for care outside of standard hours or on a part-time basis were higher than standard hours or full time care.<sup>15</sup> Under the proposed Jobs for Families Child Care Package, this loading will be discontinued. Combined with the lower cap price, this will have far-reaching effects on the sector.

This will severely disincentivise the provision of care during non-standard hours, impacting on shift workers such as hospitality and emergency services workers. Further, a third of the female workforce is employed on a part-time basis, therefore female workforce participation will be compromised if they are unable to access affordable part-time care for their children.

*"There is an appetite for increasing the amount of non-standard hours care but currently there is no incentive to do it...the costs are prohibitive."*

(FAMILY DAY CARE SERVICE PROVIDER)

## We ask that you:

- Acknowledge the capacity of family day care to lead provision of subsidised, regulated and flexible care.
- Ensure funding frameworks reflect the higher costs of providing non-standard hours and part-time care.

## Why?

Parents consistently say they need flexible child care arrangements. The existing family day care structures are a proven operational model to ensure the provision of high quality ECEC in the home and during non-standard hours.

13 Productivity Commission (2016) *Report on Government Services, Chapter 3, Volume B, Early Childhood education and Care*, Table 3A.38 Service availability during non-standard hours for Australian Government CCB approved childcare services (per cent) 2015 (a) (b).

14 Family Day Care Australia, *Submission to the Senate Education and Employment Legislation Committee on the Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2015*, pp. 11.

15 Commonwealth Department of Family and Community Services, *Government Response to the Senate Community Affairs References to the Committee Report on Child Care Funding*, 9 December 1999, p. 1.



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# Family Day Care Australia



## Quality

Support the delivery of professional, high quality early learning for children.

### Family Day Care Australia's Election Commitments

Tick to indicate your support for this commitment

What actions will your party undertake to fulfil this commitment?

Contemporise Government dialogue on family day care to recognise the sector as a quality, professional, valued service.

Support professional empowerment for early childhood education and care educators to ensure the highest quality outcomes for children.



## Accessibility

Make child care places available to all children, including those in disadvantaged, regional and remote communities, and children with additional needs.

Ensure access for vulnerable and disadvantaged children through easy-to-access, regulated, ongoing subsidies for children at risk of abuse or neglect.

Commit to two days of subsidised early childhood education and care per week for all children regardless of their parents' activity.

Recognise that family day care, due to its agility and lower start up costs, is well placed to provide services in areas of unmet demand.



### Affordability

Increase investment into child care and provide equitable funding across service types.

#### Family Day Care Australia's Election Commitments

Tick to indicate your support for this commitment

What actions will your party undertake to fulfil this commitment?

Increase investment in the early childhood education and care sector.

Ensure funding and policy frameworks treat service types equitably.



### Flexibility

Facilitate services and educators to provide non-standard hours and part-time care.

Acknowledge the capacity of family day care to lead provision of subsidised, regulated, flexible care.

Ensure funding frameworks reflect the higher costs of providing non-standard hours and part-time care.

Please return your response to:

FDCA's National Policy and Advocacy Manager Orla Hennessy at [orla.hennessy@fdca.com.au](mailto:orla.hennessy@fdca.com.au) by Friday 10 June 2016.

