



**Australian Government**

**AUSTRALIAN GOVERNMENT RESPONSE TO THE REPORT BY  
THE SENATE EDUCATION, EMPLOYMENT AND WORKPLACE  
RELATIONS REFERENCES COMMITTEE:**

*'Provision of Childcare'*

**MAY 2014**

## RESPONSE TO RECOMMENDATIONS

### PART 1 – RESPONSE TO RECOMMENDATIONS FROM THE COMMITTEE

#### **Committee Recommendation 1**

**The committee recommends that further research be carried out regarding the possible adverse effects of commencing formal childcare at very young ages and for long duration, possibly in conjunction with bodies such as the Centre for Community Child Health.**

#### **Government Response: Noted**

On 17 November 2013, the Australian Government announced that the Productivity Commission will undertake an Inquiry into Child Care and Early Childhood Learning.

In making its inquiry, the Productivity Commission has been asked to report on and make recommendations about the contribution that child care and early learning can make to child development.

The Productivity Commission will provide its final report to Government by the end of October 2014.

#### **Committee Recommendation 2**

**The committee recommends the Government makes public detailed information pertaining to the use of Commonwealth funding by state and territory governments, to clarify the scope and impact of its promise to provide universal access of 15 hours per week of preschool services for all 4 year-olds in Australia in the childcare sector.**

#### **Government Response: Noted**

The Australian Government has published information under the previous National Partnership Agreement on Early Childhood Education (2008-2013) on the outcomes required of state and territory governments to receive Commonwealth funding under the National Partnership.

The National Partnership and the bilateral agreements between the Australian Government and each state and territory under National Partnership are available at the Standing Council for Federal Financial Relations website <http://www.federalfinancialrelations.gov.au/>. These documents detail the scope of National Partnership requirements and each state and territory's implementation plan. State and territory reports against the agreed performance framework and their implementation plans are also available at the Australian Government Department of Education's website at <http://education.gov.au/universal-access-early-childhood-education>.

In the later years of the National Partnership, the Australian Bureau of Statistics (ABS) published data on preschool participation in Preschool Education Australia cat no 4240.0. Data collected in August 2013 was published by the ABS in Preschool Education Australia on 7 March 2014.

On 19 April 2013, the Council of Australian Governments endorsed the National Partnership Agreement on Universal Access to Early Childhood Education for the 18 months covering the period from 1 July 2013 to 31 December 2014. Under this National Partnership, the

parameters. It is important that the Government take a prudent approach to the spending of taxpayers' money, including on child care and early learning.

In examining the costs and benefits of Australia's child care and early learning system, the Commission may choose to model a range of possible scenarios as it examines what sort of system is optimal for Australia's economy, community and parents and how such a system is to be funded and by whom.

The Inquiry will consider payments to services, including those in areas of need, and rebates and subsidies available to families, including the Child Care Rebate and Child Care Benefit. The Commission will also make recommendations on options for enhancing the choices available to Australian families as to how they receive child care support, so that this can occur in the manner most suitable to their individual family circumstances. Mechanisms to be considered include subsidies, rebates and tax deductions, to improve the accessibility, flexibility and affordability of child care for families facing diverse individual circumstances.

The Productivity Commission will provide its final report to Government by the end of October 2014.

#### **Committee Recommendation Nos 8, 9 and 10**

##### **Committee Recommendation 8**

**The committee recommends to the government the establishment of a new statutory body, widely representative of the sector, for the purposes of advising the minister on childcare policy and its implementation, with powers to oversee a uniform regulatory regime operating across states and territories.**

##### **Committee Recommendation 9**

**The committee recommends that, in the interest of greater transparency and accountability, the new statutory childcare body be responsible for the following:**

- **working with stakeholders to create a policy agenda which outlines priority areas, benchmarks and targets to be achieved in the area of early childhood education and care;**
- **publishing an annual report which:**
  - (a) **outlines the progress being made in these priority areas;**
  - (b) **details how Federal Government funding is being spent, especially by state and territory governments;**
  - (c) **details the state of the early childhood education and care sector including vacancy data, numbers of children with additional needs, information on staff, costs, usage, and other information that is already collected by Commonwealth Government agencies.**

##### **Committee Recommendation 10**

**The committee further recommends to the government that this recommendation be taken to COAG for its consideration, particularly in view of the need to establish within the national body clear lines of responsibility between national, state and local obligations in regard to regulation and compliance.**

The Advisory Council will provide the Government with well-informed recommendations on proposed legislation and policies based on consultation with, and direct knowledge of, the sector.

The Council will convene at least once every six months and the Assistant Minister for Education will attend at least two meetings of the Council each year.

#### Transparency and accountability

The Government shares the Committee's interest in transparency and accountability. The Department of Education publicly reports on its progress in the implementation of the Government's child care policies through:

- providing information at a regional and state by state level for the Report on Government Services about the usage of child care and the Government's expenditure on early childhood education and child care
- publication of an annual report on its achievement and activities throughout the previous financial year
- publication of data each quarter in the Child Care and Early Learning in Summary.

ACECQA reports on its operations through the publication of an annual report. In addition to the annual report:

- under the Multilateral Implementation Plan (MIP) for the National Partnership Agreement for the National Quality Agenda for Early Childhood Education and Care, ACECQA is required to provide six-monthly performance reports to the Standing Council on School Education and Early Childhood (SCSEEC), with input from jurisdictions. The reports fall due in May and November each year from 2012 to 2015 and in March 2016
- ACECQA provides an annual forward workplan on a financial year basis to SCSEEC, which sets out the key deliverables, budget and timelines for addressing the strategic priorities set out in the letter of expectation that is provided by SCSEEC to the ACECQA Board. The forward workplan is submitted to the last SCSEEC meeting in the previous financial year, and ACECQA provides six-monthly progress reports to SCSEEC against that plan
- ACECQA also provides a progress update as a standing item of each SCSEEC meeting.

**Aside from broader protection obligations, this role would promote investment in early childhood development as a priority, and outline requirements for quality early childhood education and care.**

**Government Response: Noted**

The office of Australia's first National Children's Commissioner was established through the *Australian Human Rights Commission Amendment (National Children's Commissioner) Act 2012*. The office sits within the Australian Human Rights Commission, an independent statutory organisation that reports to Parliament through the Attorney-General.

The role of the National Children's Commissioner is to focus on the rights and interests of children, and the laws, policies and programs that impact on them.

Ms Megan Mitchell was appointed as the first National Children's Commissioner on 25 February 2013. Ms Mitchell commenced in the role on 25 March 2013 for a five year term.

**Senator Hanson-Young Recommendation Nos 4, 5, 6, 8 and 9**

**Senator Hanson-Young Recommendation 4:**

**That the Government review the current funding mechanisms for early childhood education, including the appropriateness of the Child Care Rebate and Child Care Benefit.**

**Senator Hanson-Young Recommendation 5:**

**That the Commonwealth ask the Productivity Commission to look into funding models and their impact on the determinants of the quality of care.**

**Senator Hanson-Young Recommendation 6:**

**In order to implement quality benchmarks, including affordability for parents, the Greens recommend a significant increase in, and long-term investment of, funding into early childhood education and care.**

**Senator Hanson-Young Recommendation 8:**

**That a Capital Grants Fund be made available to community groups and not-for profit providers to assist with costs of maintaining the capital of centres and facilities.**

**Senator Hanson-Young Recommendation 9:**

**That a national planning system be developed to ensure child care places are available where needed and are equitably available to all children, and in consultation with local communities.**

**Government Response: Noted**

Please see response to Committee Recommendation Nos 3, 4, 5, 6 and 7.