



## Acknowledgement of Country

Early Learning Association Australia acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation and the Traditional Custodians of the lands on which we work. We recognise their continuing connection to culture, land, water, and community. We pay our respects to Elders past and present.

## About Us

### Early Learning Association Australia

Early Learning Association Australia (ELAA) is a peak membership association. Our vision is excellence and equity in early childhood education and care. Our diverse membership base includes 630 service providers managing services at over 1,250 locations with more than 15,000 staff caring and educating 70,000 children. Our members are early years management organisations, independent kindergartens, local governments, long day care services, government, and independent schools and out of school hours care programs.

[www.elaa.org.au](http://www.elaa.org.au)

## Introduction

Early Learning Association Australia (ELAA) welcomes the proposed changes in the Family Assistance Legislation Amendment (Cheaper Child Care) Bill 2022. To give Australian children the best start in life, there must be further progress to ensure equal access to quality education and care for all children.

As a member-based organisation, the input of our membership often shapes and informs the messaging we place into our submissions. Listening to members on how to improve our sector and advocating for these changes is vital to fulfill our vision of all children accessing high quality education and care, delivered by a qualified and stable workforce.

ELAA offers our support of the Bill, especially the increase in access for Aboriginal and Torres Strait Islander children. Our primary objective for this submission is to urge the passing of this bill and for its reforms to commence from July 2023. We also advocate for an extension of current amendments made, to allow for a more equitable and inclusive sector, for children, families, and the workforce. ELAA believes that the workforce shortages issue must be addressed for the policy to achieve its intent of supporting more families to work. Without an increase in retention and attraction, the sector will not have a sustainable workforce to support additional hours.



## Recommendations

The recommendations provided refer to the schedules where further amendments would strengthen the capacity to meet the policy intent. We are excited by this bill and hope our recommendations can be considered. These changes are an important first step into improving access and equity for the sector.

### **Schedule 1 –**

Increase the activity test result for low income, low activity families (CCS24) to support at least two days per week of early education, ideally three days per week minimum subsidised access for all children. The first five years of a child's life are critical to building the social, emotional, and developmental skills needed to succeed. One in five children in Australia start school behind, with this figure increasing the further from the city you are.

Children from low income, low activity families are more likely to experience vulnerability and disadvantage and are more likely to start school behind. The current activity test result of 24 hours per fortnight does not support two days per week of early education and should be increased to at least cover two days per week to prevent vulnerable children from falling behind.

### **Schedule 3 –**

Schedule 3 of the Bill introduces a base level of 36 subsidised hours of childcare per fortnight for First Nations children, regardless of parents' activity levels. These changes are to apply from the first Child Care Subsidy (CCS) fortnight of the income year starting on 1 July 2023. The CCS income test would continue to apply to determine the CCS percentage payable for the 36 hours of subsidised care, that is, families would still be required to pay gap fees for subsidised hours in accordance with their income level. This measure seeks to improve affordability for First Nations families already using childcare, as well as supporting increased engagement by First Nations children in Early Childhood Education & Care (ECEC).

In consultation with SNAICC, ELAA recommends that there is a further extension of subsidised hours for Aboriginal and Torres Strait Islander families, extended to 30 hours per week, and 60 hours a fortnight, regardless of their activity levels. This will assist in achieving the Closing the Gap target of 95% of Aboriginal and Torres Strait Islander children attending ECEC services by 2025 and will contribute to repairing inter-generational trauma that this community faces from colonisation and the stolen generation.

In the Select Committee on Work and Care interim report, the committee made the recommendation to make considerable changes to how Aboriginal and Torres Strait Islander children access early education and care. Stating: "The committee therefore recommends an immediate increase in long term funding to First Nations ECEC, and removal of the activity tests for First Nations people to receive child care subsidies." We would welcome the government taking this additional step.



ELAA welcomes the commitment the Bill has made to increasing the CCS base level of 36 subsidised hours and does not want our recommendation to impact the passing of this Bill. We advocate for universal accessibility to early childhood education and care for all Australians but believe these changes must first apply to the members of our community who would benefit the greatest. When implementing changes and recommendations for the Aboriginal and Torres Strait Islander population, self-determination and consultation with Aboriginal Community Controlled Organisations and peak bodies must occur.

#### **Schedule 4 –**

Savings arising from integrity and other measures should be directed to a short-term investment via an interim wage subsidy for ECEC educators and teachers. This short-term subsidy must be accompanied by commencement of industrial relations negotiations that are underpinned by a government commitment to funding an ongoing Government wage increase to retain and grow the sector.

The proposed CCS reforms need to be complemented by a wage supplement for early childhood educators and teachers to stabilise the workforce. Without investment in wages for educators to slow current attrition rates, staffing shortages are likely to see families unable to access the additional places they want, facing long wait lists and access issues. Without this investment in the workforce, shortages will continue to escalate, and families will not be able to access the education and care they need.

#### **Schedule 5 –**

Schedule 5 is supported with the exception of extending the staff discount policy to cooks and administration workers at the minimum. These members of staff are often under the Children Services Award with educators and excluding them creates inequity within a service. Educators may move in and out of administration and cooks' roles. ELAA members noted the crucial role played by cooks and administration staff in health and safety, ensuring the wellbeing of children. However, cooks have the highest rate of attrition in services, and in turn, food-related incidents are one of the most reported issues. Supporting legislation that will encourage retention rates will boost the quality-of-care children receive and will address the workforce shortage crisis the sector is facing.

ELAA advises future consideration for this to extend to all workers within a service, including Inclusion Support staff and office staff. These roles have retention issues, aid in the improved quality of a service, and often receive a lower income than teachers and educators within a service.