



Committee Secretary
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Wednesday 20th May 2020

Dear Select Committee,

We provide our submission to the inquiry into the Australian Government's response to the COVID-19 pandemic.

Established in 1971, Community Child Care Association (CCC) is the voice of community-based education and care services in Victoria. CCC's vision for the sector is excellent early childhood and outside school hours education and care for all.

We firstly would like to congratulate the Commonwealth on how the departments have engaged with stakeholders through these difficult and unprecedented times. We would like to acknowledge the hours and hard work that the Government and the DESE team have contributed, addressing numerous issues that were raised in the ECECERG meetings.

We would also like to thank the Commonwealth for the ECEC Relief Package. In combination with the JobKeeper package, for many, this was the lifeline that services needed.

We appreciate the opportunities CCC has had to work collaboratively with the governments over the years and acknowledge that the ECEC reference group has been a trusted confidant of the Commonwealth in the past. However, we believe that some of the concerns and uncertainty experienced in the education and care sector could have been minimised if the reference group had been consulted more fully on the ECEC Relief Package during its development.

It was reassuring to see how quickly the DESE team was able to respond to issues and feedback relating to the Community Child Care Funding (CCCF) and the pace at which DESE was able to pivot to include a pandemic.

As shown in the Trends in Community Children’s Services Surveys over the past six years, community-owned and managed services perform better in the delivery of quality services. This has been achieved primarily because working conditions are generally better and community-managed services often operate with higher qualified staff and educator:child ratios than the minimum levels required by regulations. We are concerned that to retain the existing workforce, the 50% ECEC relief payment and JobKeeper has not been enough for some of these services. As child attendances increase, we anticipate an increase in demand that may be above the reference week and a consequential increase in applications for exceptional circumstances additional funding. We encourage the DESE team to be compassionate about services’ situations.

While child attendances have been steadily increasing since the introduction of “fee-free” childcare, particularly in long day care and in regional areas, we understand that many families are experiencing significant income reduction. This is so even while they continue to work, and these families may be unable to afford childcare fees if the old Child Care Subsidy (CCS) system is re-introduced too quickly. As DESE’s Summary Report on the ECEC Relief Package four week review acknowledges, services may not be able to meet increasing demands for care within the constraints of the Business Continuity relief package and JobKeeper wage subsidy. Ongoing support to services and families will, therefore, be needed to ensure that services remain viable, parents maintain employment, and families experiencing vulnerability receive the support they need.

Going forward, before the CCS and parents’ fees are reinstated, we recommend the Commonwealth implement the following:

1. Make changes to policy with regard to CCS to support families, especially those experiencing vulnerability, to access education and care through this continuing COVID-19 crisis:
 - a. Abolish the Activity Test indefinitely, or at least until January 2021. If it cannot be abolished, ensure that eligible activities are clearly and simply articulated and change all activity test results to 100 hours.
 - b. Increase the hourly rate for all service types in a staged back approach to support families as the economy improves through the year. In July and August, families receive a 25% increase on their hourly rate; for September and October, a step back to 15% above June 2020 level; and November and December, 5% above June 2020 level (on top of the CPI annual increase). Use data provided by services via the CCS portal to monitor and audit fee increases and protect against rorting.

- c. Provide extra allowable absences for the 2020–21 financial year
 - d. Allow services to continue to waive gap fees for absences during the recovery period, particularly for vulnerable families
 - e. Ensure smoother access to ACCS for vulnerable families by:
 - i. Expanding the definition of families experiencing vulnerability to include the income and mental health impacts of COVID-19 and expanding the definition of ‘at risk of abuse or neglect’ to include these impacts;
 - ii. Applying automatic eligibility for ACCS (financial hardship) to any family receiving JobSeeker;
 - iii. Extending eligibility to all families if at least one parent has lost their income due to COVID-19;
 - iv. Applying a continuation of the ‘no-barriers’ access for vulnerable children; and
 - v. Applying an extension of six weeks for ACCS (wellbeing) cases that are due to expire or have expired throughout this period.
2. Provide a safety net payment (accessible through Community Child Care Fund) for stand-alone services that are not viable in the transition, including for:
 - a. Additional costs required for cleaning;
 - b. Lower service capacity due to permanent staff with high vulnerability to COVID-19;
 - c. Higher ratios in OSHC due to the drop-off/pick-up requirements implemented in schools away from the service; and
 - d. Services not receiving JobKeeper for at least 50% of their staff.
 3. Ensure that JobKeeper wage subsidies remain available to the sector until the end of September 2020
 4. Provide additional funding to support professional development with particular focus on:
 - a. Managing a health crisis;
 - b. Children’s health (including mental health) and wellbeing;
 - c. Recognising the impact of stress and trauma on children and educators; and
 - d. Supporting children and educators experiencing stress and trauma.

IF CCS changes are not ready for implementation on 29th June then:

1. Extend the ECEC Relief Package with changes including:
 - a. An extra payment, doubling the current amount for OSHC services providing vacation care; and
 - b. Increasing the ECEC Relief Package to 60% for all services.

CCC is very concerned about the impacts the COVID-19 crisis has had, and will continue to have for some time into the future, on the education and care workforce. Our concerns include:

1. The loss of the casual workforce that has been relied upon heavily:
 - a. In LDC, to cover breaks, programming time and leave; and
 - b. In OSHC, as a high % of the entire workforceMany of our services are reporting their casual employees have now found other casual work and may not return to the education and care sector.
2. The higher number of OSHC staff who are trainee teachers and will require time for their placements in the next six months (since no placements have been undertaken during the pandemic). This may leave services with few experienced OSHC educators as increased numbers of staff are out on practicums. One solution could be for universities to allow student teachers to complete a practicum in an OSHC service.
3. The ability, particularly for our high quality community-based services, to take all the increased number of students requiring practicum placements in the second half of the year. This includes student teachers as well as Diploma and Certificate III students. We are concerned that the supply of new workers may be held up, however, do not want to compromise the quality of their career preparation by reducing practicum requirements.

Whilst we understand the urgency to respond in these situations, the unintended consequences of some decisions to date have caused much stress and anxiety for the sector. Consultation now, and ongoing, with the ECEC reference group, is paramount for us all to be able to support the sector in returning to thriving and 'COVID-normal' services.

CCC welcomes further discussions with the Government to inform and influence future policy impacting the education and care sectors.

Kind regards,



Julie Price
Executive Director