



# Childcare Inquiry Roundtable Summary

## Parents and Guardians

Friday 22 September 2023

This document is not a verbatim record of the roundtable, but a summary of the issues raised by roundtable attendees. The views and opinions expressed are those of the attendees and do not reflect the ACCC's views or position on the issues summarised here.

# Introduction

On 28 October 2022 the Treasurer, the Hon. Jim Chalmers MP, directed the ACCC to conduct a price inquiry into the market for the supply of childcare services (the Inquiry).

The ACCC carried out a wide range of outreach and information gathering activities for the Inquiry. These activities included roundtables with invited stakeholders from the following groups: Educators; Culturally and Linguistically Diverse peak bodies, providers and community groups; mainstream childcare providers; parents and guardians; First Nations families, communities, and other stakeholders; and In Home Care.

This document provides a summary of the issues discussed and raised during the Parents and Guardians roundtable, held virtually on Friday 22 September 2023.

Approximately 15 interested parties attended, drawn from peak bodies, community groups, and parents/guardians of children using childcare services.

ACCC Deputy Chair, Catriona Lowe chaired the roundtable, supported by Nicole Ross, General Manager, Childcare Inquiry Taskforce, and other ACCC staff.

This summary does not identify individual participants or organisations. The views and opinions expressed are those of the attendees and do not necessarily reflect the ACCC's views or position on the issues summarised here.

## Summary of Issues

Attendees discussed the following topics during the roundtable:

### Topic 1: Prices and the Child Care Subsidy (CCS)

Participants raised and discussed issues regarding pricing and CCS including:

- The cost of childcare is a barrier to families accessing formal childcare services (for example, centre-based day care and out of school hours care). This is especially the case for single parents, those in the casual workforce, parents or guardians who have insecure work, in households where there has been a redundancy, where families are homeless or experience complexity, and where there is domestic violence.
- Due to the cost of childcare services, some families make choices about how much childcare to access. These families would access more childcare days if it was affordable. Families use other care options or work less than they want based on affordability.
- Childcare costs are a major source of financial stress across the socio-demographic spectrum. Families are increasingly making the choice not to work, meaning childcare is having the opposite effect to its stated goal of increasing workforce participation.
- Some families have a mistrust of government which leads to a barrier to accessing government systems and benefits. This creates a barrier to engaging with childcare services and can also lead to these children missing out on onward referral to

developmental support services some of these children may need (as childcare educators can sometimes be the first to notice indicia of developmental delays).

- Many staff at childcare services spend hours of their own time helping families navigate CCS/Centrelink. Without this assistance, many families would not be able to access childcare services.
- Families are frustrated by the lack of transparency in fees and fee-setting. This impacts on a family's ability to budget.
- There should be consistency in how fees for childcare services are presented, particularly with respect to what is included in the fee. For example, how many hours of care are included in the daily rate and whether the daily rate includes food, nappies, and other consumables.
- People who are highly skilled and who could be participating in the work force are not, because they cannot afford to send their children to childcare. This impacts on children's long-term education and the participation of women in the workforce.
- In migrant communities, there are issues of pride and shame associated with not being able to afford childcare. Families who cannot afford care will offer other explanations, such as cultural reasons, for their non-use of childcare.
- Some families have become "invisible" to the childcare system, especially in regional and remote areas, in that they no longer bother engaging due to the length of waiting lists and cost.
- Families are missing out on accessing childcare due to the requirements of the Activity Test. Children missing out on early childhood education in a childcare setting is having an impact on school readiness and future NAPLAN results.
- In regions with a large number of vulnerable families and children, childcare services cannot readily increase fees as families in the area cannot afford to pay them.
- Childcare services are seeing an increase in vulnerable children trying to access their services and there are not enough places at childcare centres to accept all the vulnerable children.
- The cost of childcare for families with children who have a disability is more than the fee paid to the childcare service. Engaging with 'systems', such as submitting paperwork and forms to access carers payment, and carers allowance imposes additional costs, as well as requiring time commitments that are not recognised by the Activity Test. Compounding this is not knowing whether children with a disability will get priority or access to childcare at all.
- For many children with disabilities, shorter childcare sessions are beneficial as a means of engaging with other children in a manageable way. However, the childcare fee and subsidy structure is weighted to children attending a full day of care. Out of pocket expenses are higher for families where children attend for part of a day. This creates an access barrier for children with disabilities and leads to further isolation from their community.
- The waiting lists for services with a reputation for high quality care can be very long as parents recognise their value.
- The hours offered by childcare services are not flexible (typically within Monday to Friday 6 AM – 6 PM) and do not meet the needs of families that require care at other times, for example, shift workers and some casual workers.

## Topic 2: Accessible and inclusive childcare

Roundtable participants shared observations relating to accessibility such as:

- Access to affordable childcare is a basic human right, just like public access to healthcare. We need to establish a public childcare system that is accessible by all children and families.
- Some areas of regional and remote Australia are known as 'childcare deserts' where there is 1 childcare place for every 3 children requiring it.
- Regional and rural areas are losing essential service staff, for example, nurses, teachers, police and emergency services staff because of a lack of childcare services in the area.
- When families seek childcare services, there is often an incompatibility in the hours/days offered versus the hours/days the parent will be working. A child-based guarantee needs to be implemented such that care and education is available for all children. This would see more women participating in the workforce and better educational outcomes for children.
- Accessibility and supply are directly related to lack of educators at childcare services. As a result, services are having to cap enrolments. Improving educator pay and conditions would work to address supply issues.

Other observations particularly related to inclusivity discussed by participants included:

- There is a gap in the education provided to children from birth to when formal education starts at age 5. Education should start in the early years. This is especially important for vulnerable and disadvantaged children.
- Governments should invest early, to pay less in the long term.
- The variation in funding arrangements between childcare and early learning options has resulted in some families juggling services to reduce cost. For example, families are using a combination of childcare and free preschool/kinder (where available) to reduce the cost of care.
- Inclusion support funding has a long-standing reputation as being hard to access, with the result that families avoid it completely and do not even bother applying.
- Staff and educators at childcare centres can feel overwhelmed and under-supported in caring for children with special needs or disabilities. There is no financial recognition of the complex work that these educators do. Some parents of children with special needs feel unwelcome when making inquiries at a childcare service and disclosing their child's disability.
- A child with special needs or a disability should not have to fit into the current childcare system constraints. The system needs to change for the child. The conversation between families and childcare services often focusses on cost, money, and inclusion support funding, not on the child, what they are interested in and how they can be supported.
- There is no incentive for a childcare service to make investments in order to improve accessibility for children with disabilities. There is no investment in staff or to build the short, medium and long-term capability of a centre to support children and families.
- Families with children with special needs or disabilities are excluded from childcare. Families are told their children cannot attend childcare as educators do not have the skills or resources to support the child or that the centre has reached its quota of children with special needs. Families of children with disabilities who have been

accepted have been told they can no longer attend as staff are not qualified or children are too disruptive.

- In childcare centres that provide care for children with special needs or disabilities, there is a spirit of welcome and a spirit of 'how we can support your child and family'. When it does work for families, it is brilliant.
- There should be some kind of guidance available, so families know which childcare centres are inclusive. Similarly, there should be a system of recognition of good services that support children with special needs or disabilities. And a penalty system where there is a lack of inclusion.
- There are limited hours available to families of children with special needs or disabilities prior to a diagnosis. The process around diagnosis needs to be redesigned so that children can get access to early education quickly.
- The best outcomes for children with special needs or disabilities are to be with children in their community and with children their own age group doing things that children do. There needs to be an investment in infrastructure and educator training to support this.

## Topic 3: Choice of service

Discussion themes and issues raised included:

- The idea of 'choice' is a misnomer as options are different for each family and they cannot be compared. Often there is no real choice. Potential outcomes and realities for a family are not the same. For families with disability there are a lot of factors that mean it is hard to discuss choice fairly.
- Families of children with a disability want their children to have the same experiences as their siblings, go to the same childcare service as the neighbourhood children and to see a community built around the child and family which facilitate the following years of education and development.
- An integrated service model should be the standard and should be available for all families. With wrap around services available at childcare, families could access everything they need to support their children in one place. For example, childcare, health services, occupational therapists, playgroups, legal services, etc. With this model, children would be supported to attend other services and/or the service could see the children at the childcare centre without parents needing to take their children from one service to another.
- There can be significant price differences across childcare services in the same area. Parents will look at things like whether the centre has the same days available for multiple children and whether the centre offers a discount in fees for holidays.
- The look and feel of a service is especially important for families. Providers should encourage families to have a look at the centre and learn about how the centre works and the programs that are offered. Childcare centres are different, and families need to find a centre that will meet their needs.
- Word of mouth is important for families when choosing a childcare service.
- There is value to be had in telling the story of what early childhood education and care is and how it can benefit children, both in the early years, but also in preparation for school readiness. It is too late to wait until children start school – the education system is not picking up the pieces, just entrenching the disadvantage.

Participants made comments on the National Quality Framework and markers of quality childcare:

- Parents and guardians talk about the National Quality Framework, but they do not know how it works. Families appreciate that the sector is regulated but focus more on things like cost, location of the childcare service, nap times and schedules, the look and feel of the centre, and whether they think the childcare centre would suit their family. When parents are talking amongst themselves, they are talking about quality, but do not link it to the National Quality Framework. Aside from fees and location of childcare centres, quality is most important to families when choosing a childcare service.
- Transparency and better education about how the National Quality Framework works and how childcare providers meet the quality standards would be helpful to parents. It is important to have the National Quality Framework results of assessments visible and available in a timely way. Greater disclosure in a competitive environment would be a benefit to families to help with navigating choice.

Participants noted that staff quality and retention had an impact on parents' choice of, and satisfaction with, a childcare service:

- Parents change services if their child is unhappy at the childcare service. A big part of this is related to staff retention. Children make an attachment to staff, and they want familiarity with staff. For example, a familiar staff member or educator is there at drop off and pick up time.
- There is a need to address how educators are paid and retained in the sector so that children can experience consistency with the same educators over time.
- Staff retention is important for families. Some families have experienced a decline in the quality of care, at both centre-based day care and out of school hours care, in recent years. This is particularly the case where care is provided by young and inexperienced staff. Changing to a different childcare service is not an option due to long waitlists and uncertainty of whether the level of care will be any better.
- A family's experience of childcare, and the ability of a service to provide a quality service is linked to staff retention and skills – this is crucial and needs to be solved. It underpins the entire sector and ability to offer a quality service. If you do not have good quality, qualified educators, and teachers then you do not have the foundation of a quality early childhood education system.