Child Care Alternatives: Executive Summary
CHILD CARE
ALTERNATIVES

EXECUTIVE
SUMMARY
ACKNOWLEDGMENTS

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Others who contributed time, information and advice are acknowledged in the Appendix.

For professional assistance, I would like to thank Daina Turner, Bill Dowling and Penelope Curtin.
# GLOSSARY

<p>| ACTITAFE | ACT Institute of Technical and Further Education |
| (AFI) Assessed Family Income | Gross weekly income of a family minus $30 for each dependent child. The gross family income is assessed by DSS in accordance with its guidelines for assessment of income for identifying children in economic need. |
| ABS | Australian Bureau of Statistics |
| ACTU | Australian Council of Trade Unions |
| AECA | Australian Early Childhood Association |
| AMES | Adult Migrant English Service |
| ANTA | Australian National Training Authority |
| Community-based non-profit services | Services that provide care on a not-for-profit basis. They are expected to operate on a breakeven basis and are managed by parent users. |
| CSO | Children's Services Office (SA) |
| CTEC | Commonwealth Tertiary Education Commission |
| DEET | Department of Employment, Education and Training |
| DEIRT | Department of Employment, Industrial Relations and Training (Tas) |
| DEVET | Department of Employment, Vocational Education and Training (WA) |
| DHH&amp;CS | Department of Health, Housing and Community Services |
| DILGEA | Department of Immigration, Local Government and Ethnic Affairs |
| Extended hours centre | Any child care centre offering more than 12 hours of care per day. |
| Family day care | Child care for a small number of children usually provided in the carer's home. Care providers are approved by State authorities. |
| Fee relief ceiling | A limit imposed as the maximum fee against which fee relief will be paid. The current ceiling is $108.50 per week for 50 hours of care or $2.17 per hour. This ceiling is indexed annually. |
| Fee relief | A child care subsidy paid to parents by the Commonwealth, on a sliding scale, dependent on the assessed family income (see Withdrawal rate below). Now called Childcare Assistance. |
| Fee Schedule | The list of proposed fees for a service. This includes the weekly, daily, sessional, gap and any other fees charged. |
| Gap fee | The difference between the fee relief ceiling and the actual fee charged in a service. |
| Holding fee | Full or part weekly fees paid by parents to reserve a child care place during periods of absence. |
| JET | Jobs, Education and Training Program |</p>
<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
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<tr>
<td>Mainstream child care</td>
<td>The large number of community-based long day care centres in receipt of Commonwealth fee relief and operational subsidies, family day care, occasional care, outside school hours care and youth activity services.</td>
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<td>Minimum formula fee</td>
<td>Users of Commonwealth-funded child care are expected to make a reasonable contribution towards the cost of the service provided. Therefore, a minimum fee is charged. The minimum fee is indexed annually (currently $16.00 per week).</td>
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<td>Mobiles</td>
<td>Child care provision in temporary premises for short periods of time. Usually equipped with a vehicle, trained staff and managed by a regional co-ordinator.</td>
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<td>MOVEET</td>
<td>Ministers of Vocational Education, Employment and Training.</td>
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<td>National Child Care Strategy (NCCS)</td>
<td>The expansion of child care places announced in the 1988 and 1990 Budgets. NCCS places are cost shared with some State/Territory Governments.</td>
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<td>NATMISS</td>
<td>National Management Information and Statistical System.</td>
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<td>Needs-based planning</td>
<td>This is the process that is used to identify areas of high need for government-funded child care. High need areas (HNA) are identified by the statistical analysis of demographic data and through community consultation.</td>
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<td>NESB</td>
<td>Non-English speaking background</td>
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<td>NPAWT</td>
<td>National Plan of Action for Women in TAFE</td>
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<td>Occasional Care</td>
<td>Care offered for a limited number of hours per day or per week, enabling parents to take short breaks from child rearing.</td>
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<td>Operational Subsidies</td>
<td>Recurrent funding to community-based centres from the Department of Health, Housing and Community Services (weekly: $21.25 for each child under 2; $14.25 for each child over 2).</td>
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<td>OPSCC</td>
<td>Office of Preschool and Child Care (Vic) Priority of Access Guidelines. These are guidelines to assist service providers prioritise families when allocating vacant child care places. A summary of the priority groups is as follows (in descending order): 1 Children of workforce participants or those seeking employment or studying/training for employment. 2 Children or parents with a continuing disability or incapacity. 3 Children at risk of serious abuse or neglect. 4 Parents at home with more than one child below school age, and single parents.</td>
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<tr>
<td>Private services</td>
<td>Employer-sponsored, or commercial centres which, under the Child Care Act, receive fee relief but not operational subsidies.</td>
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<tr>
<td>Services for Families with Children Program</td>
<td>Program within the Commonwealth Department of Health, Housing and Community Services whose principal responsibility is the funding of child care services in Australia.</td>
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<td>Special Fee Relief</td>
<td>If it is determined that exceptional short-term circumstances exist where the family is unable to pay the minimum fee, special fee relief may be used, for a limited period, to waive the minimum fee.</td>
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TAFE Technical and Further Education
TAFE.TEQ Technical and Further Education Training and Employment, Queensland
Utilisation Refers to the level of usage of a service, and takes account of both the number of children and hours they attend.
VEETAC Vocational Education, Employment and Training Advisory Committee
Withdrawal rate The rate at which fee relief for users in long day care services is decreased when Assessed Family Income (AFI) exceeds a certain level.
Work-based care Child care provided in any form by employers at or near the work place.
EXECUTIVE SUMMARY

INTRODUCTION
Following research which found that lack of child care facilities was a significant barrier to women becoming TAFE users (Cox 1983; Newell and Fanebust 1986; Pocock 1987), TAFE has recognised its responsibility towards students to provide access to child care. Consequently, the number of child care places has increased substantially since 1987.

TAFE CHILD CARE IS UNIQUE
The policies, funding arrangements and operations of TAFE centres make them unique in Australian child care. The Child Care Act is administered by the Department of Health, Housing and Community Services, however due to funding anomalies the majority of TAFE centres are not classified as community based and do not receive recurrent funding from the National Child Care Strategy as do other campus-based care centres. Being in receipt of such subsidies would substantially benefit State/Territory TAFE systems. Funding arrangements for capital works and recurrent funding vary from State to State. Most States have relied heavily on the successful DEET Child Care Infrastructure Program to increase their provision of new long day care centres, and in recognition of the higher costs of student care, recurrent funding is being subsidised from State funds.

Utilisation patterns by students also vary significantly from those in any other form of child care. TAFE users are different from community users: they need child care across a wider span of hours; they are almost all part-time; demand varies according to courses being offered; and users normally require care for 40 weeks per year only. TAFE child care displays similarities to other forms of campus-based care, for example, in hours of opening, clientele, and usage patterns. Stronger links between TAFE child care agencies and other campus-based services should be encouraged. Complying with Commonwealth guidelines designed for community-based, long day care has proved costly for TAFE systems.

The differences between TAFE child care users and traditional child care users make it crucial that a planned program to increase both the number of places and the range of care types is developed at both national and State levels. The establishment of the Australian National Training Authority (ANTA) provides an opportunity for this development to take place.

NATIONAL ISSUES
Responsibility for child care policy lies with both State and Federal Governments, with the critical component of funding resting with the Federal Government. The Commonwealth has responsibility for the National Child Care Strategy and administers the Child Care Act 1972.

Child care is a rapidly changing policy area and is particularly subject to political pressures. The Federal Government has indicated a clear intention to achieve greater national consistency and has set in train a number of processes to accomplish this.

In 1993, reviews of the Child Care Act and fee relief administrative procedures will be undertaken; a Green Paper is to be prepared on national standards to ensure consistent service. The Australian Bureau of Statistics will also be undertaking a substantial data collection exercise.

Supply and demand is a complex question, mainly because there exists nationally an under-supply of child care places (514,000). Demand is increasing because of the increase of women in the workforce and as students: in February 1992, 42.3% of all employed people were women. A large unmet demand for occasional care also exists, which is not a major Federal Government priority.

National and some State industry training advisory bodies (ITABs) dealing with community services, of which child care is a part, are currently being formed. Their formation is likely to increase pressures for training child care workers and by developing models of excellence in TAFE child care offers some opportunities for closer links between TAFE child care provision and child care training.

The Australian Government has recently ratified the International Labour Convention 156 – Workers with Family Responsibilities and the
United Nations' Convention on the Rights of the Child. This will lead to an increased focus on child care as an issue for parents, rather than an issue for women only; encouragement of employer-sponsored, work-based child care; and attention to the needs of the child, rather than the parents.

**TAFE**

TAFE child care has focused on long day care centres which have a number of limitations for an educational organisation as widely dispersed and as diverse as TAFE, for example:

- they are costly, since they require extensive and expensive capital outlay, are highly regulated, and are relatively unused for over 20% of the year – during holidays;
- they are unsuitable for small campuses and for most rural towns;
- they do not fit well with the move to flexible delivery which may be off campus and self paced;
- the student body is largely part-time, resulting in greatly increased administration for child care centre managers compared with the average community centre. This becomes particularly relevant when a centre is claiming fee relief from the Federal Government, as extensive documentation is required.

**It is therefore timely to re-examine the way that TAFE currently provides child care for its students and to investigate innovative alternatives to the long day centre.**

**TAFE AS A MAJOR STAKEHOLDER**

Child care policy is determined at the national level and TAFE has very limited input into national child care policy or directions, despite being the largest provider of child care in the education sector. TAFE has not been represented on national committees or reference groups in the past and is not represented on the two major reviews to take place in 1993 (of the Act and the fee relief system). Substantial funding has been provided by DEET for capital, but TAFE has not contributed to national policy directions. Thus anomalies between TAFE students' child care needs and current national policy have developed; for example, only seven TAFE centres are eligible to receive operational subsidies from the Commonwealth, and fee relief is not available to students unless a centre is open for 48 weeks per year and for 40 hours per week.

State TAFE systems are therefore forced to subsidise their child care centres substantially if they are to be accessible to students.

At the State level, TAFE child care often operates in relative isolation from the State authority responsible for child care; formal links need to be established to ensure that the needs of TAFE are understood and that child care provision in TAFE is a high priority in policy development.

**COSTS OF CARE**

Costs of child care have increased to such an extent that TAFE systems need to make clear decisions about the balance of quality provision against the number of available places or accessibility of child care.

No TAFE policy has yet formally addressed the question of access versus quality.

The costs of providing student-based care in an environment designed for long day, community-based care, are increasing. This has caused managers to look at alternatives. However, many of these alternatives are not likely to be viable options, because the factors that increase costs of TAFE child care such as part-time, irregular use, wide span of hours, etc will still apply to alternative proposals and thus prove to be financially prohibitive.

Increasing costs have had a further impact on access for students: fees for students have been increased, both in the form of fees for care and by the introduction of holding fees for students over holiday breaks. As Millar and Monie state in the Victorian Review of Child Care in TAFE, 'As economic restraints continue and further budget cuts are imposed, child care centres which continue to place a financial burden on colleges will undoubtedly be at risk where the prime function of TAFE and services other than child care are seen to have higher priority' (1991).

These costs could further increase in some States with the introduction of national standards foreshadowed by the review to take place in 1993. Under the Child Care Act 1972, TAFE has restricted access to operational subsidies, a potential solution to these cost difficulties. If TAFE could be classified as 'non-profit making', and as 'communities' for funding purposes, a major additional source of revenue may become available.
TAFE AS A TRAINER OF CHILD CARE WORKERS

As the major educator of child care workers in Australia, TAFE has a responsibility to model quality care to the community.

DEMAND FOR CARE

Research in Victoria and New South Wales indicates that many women do not study in TAFE because of lack of child care; in addition, the substantial increase in student places funded by the Commonwealth will increase the demand for child care.

FUNDING

Capital funding has been provided by DEET, successfully increasing the number of places by 836 since 1989. This funding is approved until 1994 but it is unclear whether funding will continue to be available for the construction of centres after that date. Although this report is recommending consideration of alternatives to long day care for TAFE, situations will still arise where this is the most appropriate solution to child care needs.

Negotiations need to take place to resolve future plans for major capital works. The proposed National Physical Resources Parameters Project would benefit from the inclusion of a child care representative.

No specific provision for child care has been made within TAFE Commonwealth funding, a situation which may result in additional pressures on States' recurrent funding. Furthermore, the student body is likely to include many students eligible for concessions or exemptions from fees, thereby stretching meagre resources still further.

TAFE'S EXPERTISE IN CHILD CARE

The provision of quality child care is a highly specialised function, which is further complicated by the plethora of rules and requirements which apply nationally and at the State licensing level. TAFE runs child care as a student service peripheral to the core business of providing vocational education. The Victorian TAFE system has dealt with this issue by handing over the resources and responsibility to the State child care authority, with some success accruing in terms of increasing provision to TAFE students. By attempting to meet the specialised needs of students different models of care have developed, however the fact that TAFE is the major trainer of child care workers in Australia highlights that its practice should be exemplary to maintain credibility as an educator.

CHANGING NEEDS OF STUDENTS

Students need a more flexible form of child care, and one that recognises the variety of hours that they may wish to study. Moreover, the move to open learning and flexible delivery often requires a different form of child care than the long day care centre. Rural students have more access to courses and need child care to successfully complete their studies off campus. Extended hours, including the move to weekend delivery in Victoria, place new demands on TAFE child care. Few colleges will find it cost efficient to open a long day care centre to meet these needs.

WORK-BASED CHILD CARE

The Federal Government made a commitment to a policy which encourages work-based child care. TAFE is in an advantaged position because it has the facilities to provide this service on many campuses; however, no system has yet resolved the dilemma of determining priority of students and staff by developing policy relating to work-based child care.

STATE ADMINISTRATION

A number of issues which relate to state TAFE administrative matters were highlighted during the project.

Provision of child care has not generally been related to local demand, but more often it is an expression of commitment from the college management to providing what they believe to be an essential service which facilitates student access, and which has resulted in some inefficient distribution of resources and centres. To be effective, planning needs to be based on information from students or potential students and to be coordinated with activities of other nearby facilities.

Different TAFE systems have committed different levels of resourcing to the central planning and policy area. State data seems to indicate that an adequate level of central resourcing has led to a greater number of child care places in TAFE.

Many opportunities to predict demand are lost by the lack of joint planning when structuring college timetables. Classes which are likely to have a high
proportion of students needing child care could be appropriately timetabled to spread demand, and get the best use of the centre.

A number of colleges have changed the composition of their management committees to increase student user representation, bringing them closer to Federal requirements for community-based centres.

Student fees are variable across States and within States; different policies on responses to student hardship exist and colleges subsidise care to differing degrees, thereby creating some concerns from a social justice perspective. Potential students would benefit if individual systems dealt with this issue at a policy level and agreed to a specific level of support.

**CHILD CARE ALTERNATIVES AND FUTURE DIRECTIONS**

During investigations for this report, many examples of innovative alternatives were found, some of which are documented in chapter ten.

Co-operative arrangements improve the effectiveness of planning between TAFE and other providers and have increased the provision of places or increased the quality of care. The transfer of responsibility for child care to the relevant State authority has been successful in Victoria and may prove appropriate in other States, and the joint teaching/care facilities in Queensland may be a model for other systems.

The examples described in this report include many which minimise the cost of care to TAFE. Direct provision of financial assistance to students, in place of the high cost of capital and recurrent funding in long day care centres, has proved effective, particularly in smaller States and smaller campuses or colleges. Leasing of places in other centres, where the numbers are guaranteed, or leasing of places in existing TAFE centres to other users where the demand is insufficient reduces costs while still providing quality care. The 'broker' role is another solution appropriate for locations which do not have the demand to justify the investment in a long day care centre. Opportunities should also be investigated to establish different types of child care centres, which have special licensing requirements and are less costly, but are just as appropriate for the part-time usage pattern of TAFE students. The flexible timetabling of sessions in NSW has also allowed more care for the same financial investment, and bears investigation by other systems.

The needs of students for evening care is being met effectively by some TAFE long day care centres in South Australia and Victoria. Sponsorship of a home care system is currently under investigation in the ACT. The mobile services available in some States are proving to be successful mechanisms for providing access to more isolated student populations.

Further investigation would no doubt uncover many more creative approaches to the provision of quality affordable child care for TAFE clients.

**1993 will be a critical year in Federal child care policy development.** The services of a dedicated officer to represent TAFE at the national level and to promote the needs of TAFE students in child care would be an invaluable contribution to policy development.
To support TAFE systems in providing some form of child care for all campuses, and for all forms of course delivery, the following recommendations are presented for the consideration of VEETAC:

1 That the COMMONWEALTH: move towards ensuring that TAFE child care needs are supported by Commonwealth policy and legislation, specifically by joint ministerial negotiations to acknowledge the unique needs of vocational education sector providers and clients, and by developing mechanisms to deal with these.

2 That ANTA: continue to provide funds specifically for TAFE child care infrastructure provision and make available seedling grants for a period of two years to enable the piloting of innovative, responsive programs.

3 That the NATIONAL CHIEF EXECUTIVES’ COMMITTEE: 3.1 consider this report and provide advice to VEETAC as required.

3.2 recognise that the complex nature of TAFE child care requires the appointment of a child care specialist, possibly attached to the Education and Student Services Standing Committee, to develop national policies, and to represent TAFE at the national level particularly while major reviews are being undertaken.

Note: This is unlikely to be picked up in this form in the new arrangements.

4 That the VEETAC WOMEN’S STANDING COMMITTEE: 4.1 supports the appointment of a project officer as described in 3.2;

4.2 monitors the increase of provision in each system in line with existing targets, and identifies and promotes innovative alternatives;

4.3 assists in achieving the national commitment to ILO 156 and the NPAWT equal opportunity goals by promoting work-based child care, and further, when NPAWT is reviewed that work-based child care is included as a target.

5 That VEETAC and the OFFICE OF STATUS OF WOMEN: negotiate with the Australian Bureau of Statistics to measure the unmet demand for child care from prospective students.

6 That the NATMISS PROJECT: be expanded, in consultation with the TAFE National Child Care Adviser’s Network, to collect a range of data on child care, including:

▷ annual data from all TAFE systems to monitor accurately the provision of care, user profiles, attendance patterns and other information used for planning purposes;

▷ a survey to examine the needs of students/staff for a variety of child care types;

▷ child care needs detailed on enrolment forms.

7 That DEET and ANTA: consult with the TAFE National Child Care Advisers Network to evaluate the current Child Care Infrastructure Program.

Note: The TAFE National Child Care Advisers Network is under review as are all other committees in the VET sector.

8 That a TAFE child care specialist be included during the second stage of the NATIONAL PHYSICAL RESOURCES PARAMETERS PROJECT.

9 That EACH STATE TAFE SYSTEM: 9.1 investigates and implements appropriate alternatives to long day care centres as described in this report, with particular awareness of cultural sensitivities;

9.2 adopts the best practices guidelines detailed in this report;

9.3 develops policy on work-based child care;

as a mechanism of achieving the national child care goals of the National Plan of Action for Women in TAFE.