




Speech by

Fiona Simpson

MEMBER FOR MAROOCHYDORE

Hansard Wednesday, 16 November 2011

EDUCATION AND CARE SERVICES NATIONAL LAW (QUEENSLAND) BILL

 **Ms SIMPSON** (Maroochydore—LNP) (4.31 pm): In rising to address the Education and Care Services National Law (Queensland) Bill, I acknowledge the importance of having standards that protect our children in these settings and ensure they do have a fun and educational experience. One of the concerns raised in regard to the transition to these new standards is about the current state of the industry and the difficulty faced by particular Queensland child-care centres, which have operated under a very different regulatory regime from those in other parts of Australia. Moving to these new national standards has to take into account the way Queensland has been operating and the fact that the changes will have a significant impact on child-care providers and the parents who rely upon these providers in terms of the time frame that has been outlined in the bill before us.

We do support there being appropriate levels of staffing to look after children. What has been proposed by my colleague the shadow minister for education and member for Moggill is a delay in the transition to ensure the industry can actually make the transition, so that we do not see centres unnecessarily closed and more parents exiting the regulated sector and taking up informal care because they cannot afford it or because their local child-care provider has in fact closed down. Unfortunately, there are warning signs of this at the moment. We are already seeing a number of centres struggling.

Childcare Queensland surveyed their members about the timing proposed for the transition, and the results indicate an estimated loss of six places per day, or 30 places per week, per centre. For the sector, that is an estimated loss of licence capacity of about 1,400 long-day-care centres representing 42,000 places per week. They say that this will in turn cause banks to call for valuations as the value of services falls below borrowing ratios and that, to ensure viability, the cost of these licence losses will be passed on to families in the form of increased fees.

We have heard the government estimate that the fee increases will be about \$6 a day, but that is not what industry is saying. We have heard from industry that the costs in real terms will be \$13 to \$15 per day, or an extra \$3,500 per year, for some families. Others have estimated even higher amounts of up to \$25 a day. We have to listen to these concerns rather than dismiss them because, at the end of the day, we want safe, affordable and accessible child care. The warning signs are that the way the transition is being proposed by the government will in fact see unaffordable child care and more people either exiting regulated child care or choosing not to go back into the workforce. That is a major concern.

We have been talking about the cost burden for parents, but there is also an increasing cost burden on our community brought about by the way this government goes about regulation and red tape. The proposed new act and the regulations before the House will add an extra 265 pages of red tape. You have to question why this government is so in love with the red-tape solution. We believe that it is appropriate that people work with industry and with parents to ensure that the most cost-effective quality care is provided in our community and that the very valid concerns that have been raised are taken into account.

Earlier I mentioned that the Queensland sector had been regulated in a different way from sectors in other states. The Queensland system in relation to controlling the size of rooms in which children were looked after was different. Other states did not have a control over the size of the rooms. In Queensland there was a ratio control on the number of staff to children and a control on the size of the room that provided an extra constraint. Those physical structures just do not change overnight. We are hearing that, therefore, in Queensland there will be a significantly disproportionate burden placed on the centres, and the parents in turn through extra costs, because you just cannot bulldoze and rebuild those centres.

Centres are constrained with regard to these new regulations, which will have a huge impact. As I understand it, for example, for babies and toddlers the current regime in Queensland is for a ratio of two staff to eight children and that the size of the room in which the children are looked after is limited to hold those eight children. With the new regime that is proposed, there is a ratio for babies and toddlers of one staff member to three children. Of course, you do not have one staff member in there on their own with the children. So it is not simply a case of Queensland being able to improve the ratio without changing the size of the rooms. For example, they will not be able to move straight to a ratio of three staff members to nine children because the room size in Queensland for babies and toddlers restricts them to caring for eight children. That is where we start to see some of the practical difficulties in the implementation and why the costs will be disproportionately higher in Queensland.

We are hearing that a struggling sector will see more child-care services close. We are hearing that potentially more families will move into unregulated care. This is of major concern. Members of Childcare Queensland have also indicated that they are experiencing the lowest utilisation rates since the devastating downturn of 1997-2000. They say that operators are reporting closing rooms on some if not all days. There are utilisation rates of less than 50 per cent, and concern is high as to how centres are going to survive.

I support my colleague the member for Moggill in his call for a family impact statement and I support the proposed amendment so that we are able to see support for sustainable, quality child care in Queensland that also addresses the affordability issues for parents, who are trying to do their best to look after their children.

As has been noted, the Australian government has also changed the way it provides the child-care rebate, and this has had a huge additional negative impact on families seeking that important support in order to access the workforce. Childcare Queensland say that the Australian government has displayed an absolute lack of concern for the viability of families in the workforce by reducing the child-care rebate from \$8,100 to \$7,500 and placing a freeze on indexation of this amount for four years. Let us listen to the parents and the child-care providers as they seek to provide the best care to children. I support the proposals of my colleague the member for Moggill.