

The burden of red tape on the early learning sector

RATIONALE

- An excessive level of administrative requirements increases operational costs, which are inevitably passed on to families, and distracts approved providers/and or nominated supervisors from providing additional support to families and educators, and distracts educators and teachers from their core task of educating and caring for their young children.

CURRENT SITUATION

- The new Child Care Subsidy, the National Quality Framework/Standards and the required business administration for the early learning sector all contribute to an overly heavy administrative burden in the early learning sector.
- We acknowledge that many of the administrative (red tape) measures affecting our sector, particularly under the NQF, contribute to greater quality in services, increased uniformity, long term outcomes for children and families, and overall a stronger early learning sector.
- However, it is important to understand that regulatory requirements often come at a cost. ACA strongly supports all efforts to reduce these impacts and improve efficiencies where possible.
- For **families**, the existing application process and ongoing maintenance of records for the CCS is complicated, time-consuming and inefficient. In particular, families with flexible working/study/business arrangements are required to provide their estimated hours of relevant activities on a **fortnightly basis**. This is excessively onerous, particularly for those with limited levels of education, who may not be computer-literate, or may not speak English as a first language.

- For **families and services**, the Complying Written Arrangements (CWAs) required under the CCS, which require an adjustment for every change in circumstances, is unnecessary and creates additional administration for all stakeholders.
- In August 2018, the Senate Select Committee on Red Tape on Child Care's Interim Report¹⁰ and the Centre for Independent Studies' "Why Childcare Is Not Affordable"¹¹ were published.

RECOMMENDATIONS

We call on all parties to support:

- Revising the Child Care Subsidy parameters so that all families that pass the income test automatically qualify for step 1 of the activity test, allowing them 36 hours per fortnight of subsidised access.
In addition to the increased access this would reduce a significant amount of administration for families and Centrelink.
- Simplifying the application process for the Inclusion Support Subsidy to ensure that the children eligible for this funding receive the support they need as soon as possible (via a simpler, expeditious system for services).
- The removal of the requirement for Complying Written Arrangements (CWAs), given this detail is already covered off by the enrolment notice which is sent to families by Centrelink.
- A review of the administrative burden imposed on services as a result of the NQF, with a view to reduce the unnecessary red tape, ensuring the most affordable cost to families without reducing the quality of early learning.

¹⁰ Senate Select Committee on Red Tape on Child Care's Interim Report, www.aph.gov.au/Parliamentary_Business/Committees/Senate/Red_Tape/Childcare/Interim_report

¹¹ Centre for Independent Studies' "Why Childcare Is Not Affordable", www.cis.org.au/app/uploads/2018/08/rr37-emb.pdf