Childcare and the federal budget: What about the childcare workforce? [1]

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EXCERPTS

Changes to childcare in its role as a workforce support are expected to be made in the next federal budget. Childcare is more than workforce support and without reforming the present market-driven system it is unlikely recommended changes will deliver anything except minimal short-term relief to an ailing system.

Fourteen years ago, I published a paper titled "Women who work for women to work: Care work and the cost of giving". I have just re-visited this paper in light of rumours that childcare will feature in the next government budget. Once again, I am disappointed that the narrow view of childcare as a workforce support is being promulgated. Childcare staff are a significant workforce in their own right, the work is demanding and skilled and supporting parents to enter the workforce is only one of the roles this industry engages with. Child care has long-term economic, social and educational benefits and the workforce employed in this industry is of significant size and needs greater support and appreciation if we are to develop a high-quality system for all children who attend these services.

While staff qualifications and child/staff ratios are regulated there is no government will to promote fair remuneration and working conditions. Qualifications and ratios are minimum standards, a safety net to protect children. Wages and work conditions are recognised in the international literature as essential elements for building a quality workforce (OECD, 2006).

What is being proposed in the budget, by groups like the Morrison government and Business Council of Australia (BCA) is for the government to lift the maximum childcare subsidy and scrap the annual cap on support (SMH, 26/04/21) so childcare becomes more affordable for families. It is hoped that such a strategy will encourage female workforce participation because childcare would become more accessible and affordable. It is estimated this could possibly boost the GDP by 11 billion dollars.

While fees for many families using childcare are ludicrously high a focus just on fees will not have long-term benefits and ignores the needs of the present childcare workforce. In 2016 the child care industry employed approximately 195,000 childcare workers (ECEC National Workforce Census, 2017) and 108,000 of these were in long daycare centres. A new census is being conducted this year.

The childcare environment is complex with a range of services that include long daycare (centre based), family daycare, in-home care, out-of-school-hours care, occasional care and vacation care. There are a variety of childcare providers that range from corporations to the community. Increasing the taxpayer-funded family subsidy might provide short-term relief for those paying high fees but will not help develop the quality workforce needed to provide the economic, educational and social services required of childcare settings. There is also a risk that corporations and stand-alone private-for-profit centres may not pass on the reduced fees in full as the pursuit of profit is the nature of the beast. Therefore, affordability of childcare using the subsidy strategy might be difficult to attain. It is worth noting that access is not guaranteed as some areas are oversupplied and others have no services. Advocates for a better system would like to see a universal childcare system funded by the government.

Since the Labor government extended government childcare subsidies to the private sector in 1991 Australia has produced a complex mix of systems that have experienced changes in funding and there has been no sign of a social impact study. Legislative changes have brought about regulatory changes that have seen cohesion across the states, a national learning framework to guide centres and a quality assessment regime (AEACQA, 2021). These are positive moves that acknowledge childcare has value in terms of economic support for parent workforce participation, the economic value of growing a knowledge-intensive society through early education and the social and personal gains that accrue with high-quality early experiences.

Given these understandings, I would argue that once again a major measure of quality is being ignored and that is the well-being of the staff (OECD, 2006). Children in childcare are better protected than the elderly in care centres because they usually have strong protectors in their parents and our child protection laws would not allow for the appalling abuse and neglect that is rife in aged care. However, not supporting quality drivers for staff development like pay and conditions weakens the largest part of the enterprise.

The importance of staff qualifications and child/staff ratios are recognised in the Australian Quality Framework (AQF) but most staff earn just above the minimum wage, a large percentage are employed part-time, many have been in their present positions for three years, or less, there is limited career progression and it is a highly feminised workforce (DET, 2017). To present childcare as a workforce support, with minimal standards to protect consumers in an industry that is diverse and operates under many different ownership and management models is not a satisfactory way to build a quality system.

Like care for the elderly, we have allowed a mismatch of providers into the field with differing motivations and expertise. Providers include corporations, private-for-profit, private-not-for-profit, non-profit, community, schools and independent schools.

This creates a situation where focusing on parent fees to encourage parents back into the workforce will not necessarily be successful. It also begs the issue of the rights and importance of the childcare workforce in its own right. In the past, I have suggested that if we are to gain maximum benefit from the childcare sector a free market model, we cannot accommodate the outcomes needed to support families in work, parents and children, promote individual well-being and help build citizens and workers for the future.

High quality provision is needed with properly paid and resourced staff who are the single biggest cost in this industry. Pouring more money into providers coffers through subsidies amounts to market failure as it represents more of the same system we already endure. It does not ensure affordable fees and will not help to build and maintain the childcare workforce needed to care for and educate young children.

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