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PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Child Care

SPEECH

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Questioner
Speaker Morrison, Scott, MP

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Mr MORRISON (Cook—Minister for Social Services) (15:40): I am very pleased to rise to speak on this genuine matter of public importance. I welcome the approach taken by the shadow minister. I will not be seeking to make any political points in this debate. I want to acknowledge the work of the former minister, Minister Ley, who is now the Minister for Health, and thank her for the tremendous work she did in this role. It is disappointing that, in what I would see as a bipartisan debate, we would engage in denigrating the minister.

But putting that to one side, I want to focus in this contribution on the challenges that are ahead. Australian families want us to just fix the problem. That is what they want to see. They do not want to hear about pointscoreing backwards and forwards—what they did, what we did—and all those sorts of things. They are just not interested. They just want to see a better system. The goal that we have is quality, affordable care which gives children the best start in life and helps parents to stay in work and get back to work when they have children. That is what we are seeking to achieve. Quality care. Absolutely. Affordable care. Absolutely. And, as the shadow minister said, accessibility is tied up in those issues. Absolutely.

Quality improvements have been made and they should be maintained. The National Quality Framework has contributed to the quality of service delivery in the child care and early learning sector. But it has come at a cost. We have to acknowledge that these changes have come at a cost. The Productivity Commission report does go into some detail on those matters of increased cost. It actually goes further to say that perhaps the regulatory hand in what I would call 'out of non-core hours' of child care goes too far and stymies the ability to provide affordable care outside those non-core hours. It makes a number of recommendations in these areas. I commend those recommendations to state and territory governments because that is where those regulations now sit. Quality does come at a cost, but quality is important to families in terms of who is looking after their children.

But having dealt substantively with the issue of quality, the focus now must really be to ensure that this care can be affordable and available. The Productivity Commission report released last week, which was initiated by the government and the former Minister Ley, ensures that we can have a comprehensive look into the myriad of issues contributing to the delivery and affordability of child care for Australian families. That report puts forward a host of recommendations which the government will consider as we move to finalise a new package in relation to child care, a package that we will continue to work on with the opposition, with the crossbench members of both this House and the other place, with the sector and, most importantly, families. At the end of the day, the reason we spend \$7 billion in this area is to help families and their children. They are the ones we are seeking to assist. This is not an industry subsidy. This is not a wage subsidy for those working in the sector. This whole policy is about trying to ensure that families who are confronting the challenges they have to maintain a standard of living and provide for their children are in the best possible position to make a decision that they can stay in work and go back to work.

For many Australian families there is no choice about whether they get to stay home and care for the children, if one of them chooses to do that, or go back to work. Many, many families simply do not have that choice because they need both incomes to ensure that they can maintain the support and aspirations they have for their children as they grow up. So we want to empower those families. We want to help them as they sit around their kitchen table and work through the issues when they have children and, after they have children, when they say, 'How can we go back to work and how can we do it in a way that will enable us to maintain the quality of life that we have as a family and that we aspire to in the future for our family?' We want to make that process simpler. We want to make it more affordable. We want to make that decision easier for families as they work through this.

This is a system which, if you had started from scratch, as the shadow minister said, would not look this way. It certainly would not look this way, not unlike the broader social services spend—\$150 billion a year, with eight out of 10 income tax payers required to pay the bill for welfare in this country every day. We have got to get more out of that expenditure than we are getting now, because it includes what we pay—around \$7 billion a year—in the area of support for child care.

The commission has made a very important point, and that is that it must be targeted. It must be targeted to those who need it most, in relation to these decisions that they have to make. That means middle- to low-income families. They are the ones where these economic issues are going to be most impacting on their decisions. That is not to say that those on higher incomes are not impacted by these economic issues as well. Their needs must also be addressed in the government's package. But it is those middle- to lower income families, families on less than \$180,000 a year, working to provide the best for their children's future, who need to be very much in our minds as we make these decisions.

The other thing it is about is work. Yes, there are absolutely important issues around early learning and the importance of that for young children. That is acknowledged, I would hope, by every member of this House. And, yes, there are absolutely issues that go to disadvantage in the community and children who may need to be supported into child care for reasons other than economic participation. They should be addressed by different measures, but the subsidy that is provided through these programs has to be about work. Where people are earning or learning, where they are making the effort to go and seek work and to be able to be in the workforce—single mums, single dads, two-income families trying to stay as two income families—that is why it should be there, not to hand out heavily subsidised childcare services to those who are not in the business of earning or learning or wanting to be earning or learning. There has to be a closer nexus in how we work these subsidies. It needs to be tied to a very clear purpose.

We need to ensure that the measures that we are engaged in are anti-inflationary—do not drive up the costs—because costs have been rising. Costs rose under the previous government. They continue to rise under this government. We need to make sure that the way we deliver payments in this sector, the way we deliver the support, does not just continue to rise up the costs. The benchmark price as put forward by the Productivity Commission is imperfect, but the idea of a benchmark price and how that can be set is a matter worthy of consideration, and we must continue to work through it.

We cannot have a system which basically just gives a blank cheque to prices in a sector where we are providing the level of support we are. There has to be an understanding the taxpayer is going to provide for a particular type of service. It is not going to extend to whatever service providers may wish to provide. There is a core element to this. It must be flexible, to understand the modern dynamics of the workplace and the various jobs people are in. They might be firefighters, police officers, nurses or others who have a very different working environment to most Australians in terms of shift work and things of that nature.

There are families who have children with disabilities that have quite specific needs, and the commission makes many recommendations in those areas but particularly recognises the contribution that can be made through home based care—often referred to as nannies, but I think it goes more broadly than that—and the need to provide support to a service in an area which is registered, which has appropriate regulatory controls and ensures that those sorts of options are available to Australia families.

It needs to be accessible, I agree. The commission report demonstrates that the accessibility issue that needs to be managed is very, very patchy. You cannot take a 'one size fits all' approach, as the programs that have been provided to date have and, frankly, they have failed. We need to have a more bespoke, more targeted way of ensuring that we are addressing these issues of accessibility in how we spend the taxpayers' dollars.

We need to remember that we have a diverse range of service providers in this area: profit, not-for-profit, government providers. They all do an important job, but let us remember that it is the private sector operators who make up over half of the places that are there. They are the ones building the new centres, substantively, and, interestingly, for families in disadvantaged areas it is actually private sector operators who are offering lower prices than operators from the other services. But they are all important and they all need to be part of it. The most important thing is that it needs to be funded, and that is where the opposition and the government will have to come to some agreement so we can pursue this issue together. (*Time expired*)