

SUMMARY

The Greens will invest \$5.4 billion over 5 years to:

- Provide free childcare and kindergarten for all kids 3 and 4 years old for at least three days per week, and one day per week for 2 year olds.
- Build 250 new public childcare centres, adding 17,500 places over five years
- Make sure childcare and early childhood education provides good steady jobs with decent pay by signing a new agreement with workers in an expanded public childcare system.
- Help build skills and provide targeted assistance to the non-profit and community sector by investing \$250 million over 5 years via a Childcare Sector Development Fund
- Invest \$100 million in targeted outreach and inclusion programs, including for Aboriginal and Torres Strait Islander kids to build on our universal access plan.

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We can do better for our kids

All Queensland kids deserve the best start in life. Research shows participating in a preschool program for two years, rather than one, has a huge impact on a child's outcomes and life chances. For disadvantaged children in particular, one year does not appear to be adequate for closing achievement gaps that are already present at age four.¹

Right now, four year-olds have access to just two guaranteed days of free childcare which is funded primarily by the federal government. Other subsidies and schemes are often confusing and means-tested, or 'activity tested'.

Childcare is privatised, expensive and hard to access

Childcare is too expensive. Since 2012, prices have increased faster than either housing or electricity,² and since 2002 costs have risen 74% for couples and 102% for single parent families.³

It is difficult or impossible for many parents to find a space, especially in the inner-city and rural Queensland. Waiting lists can be very long, especially for high-quality services.

Australia has among the most heavily marketised and privatised child care systems in the world, and Queensland has the most privatised system in Australia. Around 75% of the Australian childcare sector is privately owned.

The private child care sector and their landlords made \$1 billion in profits Australia-wide in 2016.⁴ Rental payments to landlords make up a significant and growing portion of costs which are ultimately paid by parents and governments.

¹ Fox, S., & Geddes, M. (2016). Preschool—Two years are better than one: Developing a preschool program for Australian three year olds—Evidence, policy and implementation (Mitchell Institute Policy Paper No. 03/2016). ² ABS 6401.0 - Consumer Price Index, Australia, Dec 2016

http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6401.0Dec%202016?OpenDocument ³ Melissa Brown (2017) Mortgage debts and childcare costs skyrocket as wages stagnate, HILDA survey reveals *ABC News*. Accessible:

http://www.abc.net.au/news/2017-08-02/mortgage-childcare-costs-hurting-young-australian-families/8763058 ⁴ Kelsey Munro (13 November 2016) 'Boom time for corporate childcare in Australia' *Sydney Morning Herald* Accessible: <u>http://www.smh.com.au/national/education/boom-time-for-corporate-childcare-in-australia-</u> <u>20161109-gslgx2.html</u> For example, G8 Education Limited made an \$88m profit in 2015-16. Folkestone Education Trust, which owns 393 early learning properties (including some in New Zealand) made \$106.8 million net profit in 2015-16, up 20.5 per cent on the previous year. Arena REIT, which owns 189 childcare properties in Australia, reported a \$25.6 million profit in 2015, up 16 per cent on the previous year.

Universal Childcare

Just like school education, early education and child care is a fundamental right. Right now, for many families, early education and child care is just for those who can afford to pay. It should be public, universal, and free.

The Queensland Greens will create universal access to free, high-quality childcare and kindergarten for **all Queensland kids aged three and four years old for at least three days per week, and one day per week for two year olds.** This plan would give 200,000 Queensland kids access to more childcare.

Every kid and family would be eligible to access this entitlement, no matter what their income or work situation.

We would also create **17,500 new places in public or community child care and kindergarten** by building **250 new government-funded centres** to be run publicly or by the community and non-profit sector. Those new centres would be concentrated in areas with a shortage of childcare places, or areas of increased disadvantage.

Childcare and early childhood education should provide good steady jobs with decent pay, especially since the vast majority of workers are casual, part time and female. Our plan would guarantee good pay and job security for workers in the expanded public childcare system, pushing up pay for everyone.

To support this large expansion of the sector, we would invest \$250 million over 5 years via a Childcare Sector Development Fund to help workforce skills development and targeted assistance to the non-profit and community sector.

The total cost of our plan is \$5.4 billion over five years. We would fund this ambitious expansion of early education by making sure big corporations pay their fair share.

Labor and the LNP are addicted to corporate donations, and until they kick the habit and tax big corporations and the very wealthy, we won't be able to afford the ambitious expansion of universal services like childcare.

Extra days for more kids

The Greens will provide free childcare and kindergarten for all kids aged 3 and 4 years old, for at least three days per week and to 2 year olds for one day per week. Parents could choose to use these extra days in either the public or private sector. This plan would give 200,000 Queensland kids access to extra childcare.

The extra days would be phased in over three years to allow the sector to deal with more demand. The newly expanded publicly childcare sector would expand at the same time.

	Current situation	The Greens' plan
Age 2	No universal access	Universal access to one day per week
Age 3	No universal access	Universal access to three days per week
Age 4	Universal access to two days per week	Universal access to three days per week

Of course, the childcare should not be compulsory. Parents should have a right to decide how many days, if any, to put their child in early education every week.

Even in 2017, women are still very often the primary carer, so better access to childcare will support women to return to work if they choose.

The existing National Partnership Agreement on Universal Access to Early Childhood Education has been successful in expanding access to childcare.⁵ The Greens would build on this model to deliver extra free days for all Queensland kids.

⁵ <u>http://www.federalfinancialrelations.gov.au/content/npa/education/national-partnership/</u> 2016_2017_universal_access_NP_QLD.pdf

Public childcare and more places

The Greens believe that childcare is a basic service which should be run in the best interests of kids, not to make a profit.

As part of a gradual transition towards public provision, the Queensland Greens would provide direct government funding for 250 extra or expanded centres, or 17,500 extra places over 5 year at a total cost of \$750 million. These centres would to accommodate the extra kids entering the system and ease the current shortage of vacancies in particular areas. They would be largely publicly run but some would be handed over to the non-profit and community sector rent-free.

The newly expanded public childcare system would offer services free at the point of delivery by taking advantage of our plan for universal access plan explained above, and would not charge any additional fees.

Those new centres would be concentrated in areas with a shortage of childcare places, or areas of increased disadvantage.

Within five years public childcare will be a major player, to compete with the private sector and to provide a serious alternative anywhere in the State. Parents would have a guaranteed place for their child within a publicly-run childcare centre, probably within their local State school that they could access for free up to the universal entitlement.

The government will aim to build these centres within or adjoining existing schools where space is available, to improve convenience and eliminate the "double drop off" and to save on rent. Where that is not possible, the government will acquire sites nearby existing State schools.

The construction of 250 new centres would boost the State government's spending on education infrastructure by \$150 million, creating thousands of jobs.⁶

Rent, construction costs and profit together can represent up to a quarter of the total cost of childcare for for-profit companies.⁷ Since the public childcarer will not face these costs, prices can stay low. Since private providers would have to compete with public childcare, price increases for everyone would fall.

⁶ Current capital expenditure on education is \$600 million per year - Queensland Budget Paper 3, Capital Statement 2017-18, page 16 <u>https://s3.budget.qld.gov.au/budget/papers/3/bp3-2017-18.pdf</u>

⁷ Productivity Commission, page 945 and page 963 <u>http://www.pc.gov.au/inguiries/completed/childcare</u>

Good steady jobs for childcare workers

Many childcare and early childhood education workers can expect to earn just \$21 per hour and be stuck on a casual contract long term.⁸ Their work is demanding, stressful and sometimes thankless. New rules require at least one employee per centre to hold a degree, but this has not generally led to better pay. The first years of a child's life are fundamental to their development, so workers in early childhood education should treated with the respect they deserve.

Childcare should provide good steady jobs with decent pay. The Queensland Greens' plan includes a commitment to signing a new enterprise agreement with childcare workers and their union representatives to guarantee better pay, access to permanency and job security across the expanded public childcare sector. Better wages and job security in the 250 new public and non-profit childcare centres would push up wages for all childcare workers including in the private sector.

Our plan would help close the gender pay gap, since childcare is one of the most heavily dominated by women, and most underpaid sectors in Australia.⁹

A high-quality childcare for every kid

The Queensland Greens would create a whole of government Early Years Strategy to make sure all Queensland kids get the support they need. This plan would be funded and backed with extra research.

To support the large expansion of the public and non-profit childcare sector, the Queensland Greens would invest \$250 million over 5 years via a Childcare Sector Development Fund to help workforce skills development and for other targeted assistance.

Our plan for universal access would be supported by targeted plan for outreach to disadvantaged and marginalised families and address barriers to participation. This would be supported by a \$100 million investment over five years. Existing specialised support and subsidies for Aboriginal and Torres Strait Islander, regional and low income kids would remain.

⁹ Data from the Workplace Gender Equality Agency shows that among large employers, 96% of the workforce in 'Child Care Services' is female <u>http://data.wgea.gov.au/industries/8</u> See also Inga Ting (20 April 2017) 'The gender income gap in more than 1000 occupations, in one chart' *Sydney Morning Herald* Accessible: <u>http://www.smh.com.au/business/the-economy/analysis-of-tax-office-figures-shows-income-gaps-between-men_and-women-20170420-gvod6g.html</u>

⁸ <u>http://www.payscale.com/research/AU/Job=Childcare_Worker/Hourly_Rate</u>

How much would it cost?

The total cost of our plan is \$5.4 billion over five years. Our plan is fully costed, and details can be found below.

We would fund this ambitious expansion of early education by making sure big corporations pay their fair share. Our plan is fully funded by previous announcements including raising mining royalties and making property developers pay their fair share of tax.

Our plan assumes that the federal government continues to fund childcare at current levels via the National Partnership Agreement on Universal Access to Early Childhood Education.¹⁰ We believe the federal government should fund universal access childcare, but our plan recognises that Queensland kids and families shouldn't have to wait. We have put forward a solution to achieve universal access immediately.

Full costings for this policy are available here

¹⁰ The National Partnership Agreement is due to expire at the end of 2017 after it was extended by 12 months in the 2017–18 Federal Budget.