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Productivity Commission
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Dear Commissioners

Please find attached a submission from Australian Community Children's Services NSW (ACCS NSW) to the Inquiry into Child Care and Early Childhood Learning.

ACCS NSW appreciates the opportunity to have input into your deliberations.

Yours faithfully

Lisa Bryant, Prue Warrilow, Kim Bertino, Amanda Holt, Michelle Hilton
Executive Committee

ACCS NSW

About Australian Community Children's Services (ACCS) NSW

Australian Community Children's Services is the peak body representing Australia's not-for-profit community based children's services and those who support the right of children to access these services.

ACCS is committed to:

- Children, families and communities
- Children's entitlements for the best care, education and health services
- Community ownership
- Connected services for children, families and local communities
- Cost effective services - not-for-profit
- Cultural diversity and respect for Aboriginal and Torres Strait Islander people as custodians of the land

ACCS' aspiration for Australian families is that every family will have the choice of high quality not-for-profit children's services.

ACCS NSW is the NSW branch of ACCS. Its members consist predominantly of community based long day care services, preschools and family day care services. These include stand-alone services, services sponsored by larger organisations such as KU Children's Services, Uniting Care and SDN Children's Services and services managed by local governments.

For more information about ACCS NSW please go to our website www.accsnsw.org.au

Executive summary

There has been a dramatic shift in the early education and care sector over the past 10 years with significantly more early education and care services available for families.

The percentage of these that are community based not-for-profit has shrunk during this period. Does this matter? Does the type of organisation that provides early education and care to children in NSW matter?

In 1991, 43% of early education and care services in NSW were not-for-profit-community based services. In 2014 this percentage has shrunk to 28%.

ACCS NSW strongly believes that it does.

We will be arguing in this submission that:

- there are substantial differences in the early education and care delivered by not-for-profit community based organisations and for-profit and corporate providers;
- the early education and care delivered by not-for-profit providers is demonstrably higher quality; and
- in view of this the Australian Government must take action to arrest and reverse the shrinkage of the not-for-profit early education and care sector in states such as NSW and ensure that the community based early education and care sector can continue to offer high quality education and care. Such action includes:
 1. Adherence to the existing quality standards of the National Quality Framework as a minimum and proceeding with all qualification improvements and centre based ratio improvements as per the existing timeline to 2020 because these are based on evidence of best practice.
 2. Acting to ensure that services can attract and retain a highly qualified workforce by assisting to improve the status, standing and remuneration of the workforce.
 3. Ensuring access to high quality professional development and low cost qualifications as well as clear qualification pathways.
 4. Ensuring additional support for rural and remote services.
 5. Ensuring additional support to enable services to adequately make provision of Aboriginal and Torres Strait Islander children, children from culturally and linguistically diverse backgrounds and children with additional needs.
 6. Developing mechanisms to provide access to capital to enable the development of new community based services where needed.
 7. Fixing the inequitable support by state and territory governments for early education and care and fixing the universal access program.

Background

Community based not-for-profit early education and care services are inherently different than for-profit services. These differences in service provision lead to higher quality education and care services for children and their families.

Community based not-for-profit services are the services that generally cater for higher needs groups and are more inclusive

Community based services are more likely to enrol children who:

- have additional needs;
- are Aboriginal and Torres Strait Islander;
- are at risk or in vulnerable circumstances;
- are from low income families; and
- are aged from birth to less than 2 years¹.

For example, in NSW, the Department of Community Services' preference, when placing children at risk of significant harm in early education and care services is for community based services.²

Why does the community based not-for-profit sector bear an unequal share of educating and caring for children with additional needs - primarily because of cost. Caring for each of the groups listed above is more expensive (because of factors such as increased staff ratios or because families have a reduced capacity to pay higher fees). When a service's aim is to make a profit for its owner, enrolling high cost children reduces profit.

Because community based education and care services tend to deal with higher needs groups, our services can have a more inclusive approach to the provision of education and care. All children are generally welcome at our services and our services do as much as possible to ensure that the service caters adequately for individual child and family needs within financial constraints.

Community based not-for-profit services are responsive to the communities we are situated within and allow communities to have a voice in the education and care of their young

¹ This fact used to be verifiable through the now defunct Census of Child Care Services. Publically available data that ACCS is aware of does not allow current verification of this, but anecdotal evidence suggests it is still true.

² This fact used to be verifiable through Department of Community Services Child protection reports which are currently unavailable.

Community based education and care services are operated and managed by charities and larger providers, individual stand-alone organisations and local councils.

The majority are run by organisations headed by committees of parents of the children who are currently receiving education and care. This means that the communities we are situated in have a large investment in our services, and have the capacity to directly influence our services to ensure that our services are responsive to the community's current needs.

In NSW, using community based preschools as one example; the majority of these preschools have been operating for 30-50 years, with some providers such as KU having operated for up to 91 years. They are often integral parts of their communities who have provided early childhood education and care to successive generations of children.

Community based services allow families to have higher input into their children's early education and care

It's more than being 'family friendly', it's about recognising the role played by all and the need to work together to 'raise the child'.

In community based early childhood education and care services the focus has always been about more than just the child. We see the child as an important part of a family and community. Research has shown that strong teacher-parent relationships lead to an increase in parent involvement; which has a lasting academic achievement impact on the children who attend a service which fosters this.

The benefits of having parent managed services³ mean even greater involvement and lasting positive impacts on the children. They also provide the opportunity for the children to be educated and cared for away from the home but with the families still having ownership over what is occurring. Having the families taking ownership over the service ensures that the children are visible and their needs are put ahead of profit for stakeholders.

With community based services being closely connected to the needs of those in their community these services are able to adapt to changing needs of their communities. Our experience is that service providers committed to high quality constantly keep in mind "what is best for children in our community" rather than "what is best for my business". With close links to the community the services also make vital connections with support services adding to the opportunities available for families, especially those whose children have additional needs or maybe vulnerable circumstances.

The NSW Department of Community Services has historically seen the benefits offered by community based services and look to them when in need of placing children at risk⁴.

³ It is important to note that not all community based services are parent managed. Community based services operated by larger providers and council operated services still have a high degree of parental involvement in their services.

⁴ One lead agency of the NSW Government's Brighter Future early intervention program states that by far the majority of their childcare placements are in community based and council services.

Not-for-profit early education and care services are less likely to see themselves in competition with each other and will share ideas and resources thus enriching the service offered to the children and families. Representatives of the sector give time freely for the betterment of the sector and children. These connections also offer vital support for the staff, helping them reduce the feelings of isolation often expressed by those trying to run the service on their own.

It is vital that quality services are designed to promote and support family involvement. Community based not-for-profit early education and care services are specifically set up for this, offering a quality program focussed on the needs and interests of each child.

Community based not-for-profit services re-invest surpluses into their services

Where we generate surplus income it goes back into our services – supporting improvements to the quality of early education and care our children are offered, rather than profits to the individual owners or to shareholders.

Community based not-for-profit services have more connected referral networks

Our services are essential parts of the communities in which they sit. This means we can and do easily refer families to other services they need to support their children's health and education.

Community based not-for-profit education and care services have an important role in community capacity building within their local community

Many parents (predominantly women) who may have had a break from the workforce join management committees, engage in voluntary work at the service and make connections with other parents with children of the same age. This process gives them new skills and confidence and helps form the connections between community members and, in particular mothers, that are vital to communities.

Community based not-for-profit education and care services are higher quality services

Research undertaken by Community Child Care Co-operative (NSW)⁵ shows that of the 1,378 NSW long day care and preschool services rated under the National Quality Framework (NQF) for education and care services as at 14 November 2013 not-for-profit services rated at higher levels than for profit services.

	Exceeding National Quality Standard	Working towards National Quality Standard
Not-for-profit	84%	19%
For profit	16%	80%

⁵ http://booking.cccnsw.org.au/files/nsw_childcare_fa.pdf

What other characteristics of community based not-for-profit education and care services lead to this higher quality?

ACCS NSW believes that much of the higher quality of community based-not-for profit services comes from our services' commitment to:

- investment in our workforce via higher wages and conditions and professional development. This leads to a more stable and skilled workforce in our services;
- employing staff with higher qualifications (above the regulated requirements); and
- running at above regulated staff child ratios where possible.

If not-for-profit community based services deliver a unique and higher quality of education and care service to children and their families, the Commonwealth Government needs to take steps to ensure that this type of early education and care delivery is protected, strengthened and expanded.

Even in a mixed service delivery market, the existence of thriving not-for-profit community based early education and care services benefits the entire community by:

- setting a benchmark for quality and assisting to set a fee benchmark within each community; and
- ensuring children who could be excluded are able to access early education and care.

So what steps should the Commonwealth Government take to protect and expand the community-based-not-for-profit early education and care sector in NSW?

Next steps

1. Adherence to the existing quality standards of the National Quality Framework (NQF) as a minimum and proceeding with all qualification improvements and centre based ratio improvements as per the existing timeline to 2020

ACCS NSW strongly recommends the continuation of the NQF, including a commitment to maintaining the implementation plan and associated timeframe to 2020. The NQF agenda ensures that there is a commitment to the provision of high quality early education and care, framed by an increase in the qualification requirements of educators and improved staff to child ratios. The benefits of the NQF, providing better outcomes for children, should be the driving force behind the continuation of the NQF, however if cost is a barrier, funds should be directed to support this agenda.

In NSW the community based sector has led the way in the NQF implementation with the most recent Assessment and Rating results. Due to the pre-existing higher requirements for the employment of teachers in NSW services, embedding the NQF agenda has not been the huge step for NSW services compared to other jurisdictions. Furthermore, many community based services in NSW were operating at higher than required ratios at the time of the NQF's implementation.

Based on the current evidence of the value of the NQF, ACCS NSW recommends that current out of scope services be resourced and brought into scope as a priority.

2. Acting to ensure that services can attract and retain a highly qualified workforce by assisting to improve the status, standing and remuneration of the workforce

Currently our early education system is seen more as a care system. It is time to develop and promote the concept of early years education and investment, aligning with the need to see the child from birth to adulthood not from their commencement in schooling.

Inequitable financial remuneration for the level of responsibility and the complexity of work in the early education and care sector has resulted in continued difficulty attracting and retaining early childhood educators, particularly degree qualified early childhood teachers, to the profession. There is ample academic evidence to support the link between the presence of qualified staff and quality early childhood education.

Perceived professional status in society has a role in how early childhood is situated and remunerated. Early childhood has been positioned for so long as a care and welfare dynamic in the community and not as a child's initial entry point to the education system. Education traditionally garners a much high status and effort in the political agenda. Given the level of research and published information relating to early life development, and the effect on life course and community outcomes the status and remuneration of early childhood professionals should be escalated to that of other like professions such as higher education teachers.

While education has been an integral part of NSW education and care services for many years, the recent related regulatory change have made this important educative role much more explicit on a national basis. A notable example of this is the

requirement for services to have an 'Educational Leader' supporting and guiding the services pedagogy. Cloney, et al (2013) identified the impact of such roles on the improved quality and outcomes for children attending child care. This recognition supports the conception of improving both professional status and remuneration.

Still missing from the picture of professional status for early childhood educators in Australia is teacher registration. The NSW Department of Education and Communities requires that teachers in the NSW state education system are qualified to teach children up to the age of 12. This requirement, coupled with soft demand for explicit early childhood teaching courses has seen the majority of university courses for early childhood teachers in NSW changed from 0-5 courses to 0-12 courses. This means that students in these courses have less practicums working in early years settings and have less content specifically aimed at the 0-5 year old age group. If there was professional standards set by the Australian Institute for Teaching and School Learning for early childhood teachers and a teacher registration process this would provide for the same rigorous process towards being recognised as an early childhood teacher as there is for primary school teachers. Young (2007) in her role as National President of Early Childhood Australia stated

"It is of great concern that failure to accord the same level of recognition to early childhood teachers as to teachers working with older children has the potential to diminish their professional standing and career path options. This will lead to the withdrawal of skilled teachers from the early childhood sector, with a resulting negative outcome for young children."

It is still a matter to be addressed in NSW six years later.

The gendered nature of employment in the early education and care sector, with a predominantly female workforce, exacerbates the pay inequities that the sector faces. For example, in NSW a degree qualified early childhood teacher can earn up to 20% less than a graduate with the same degree working in the school sector, despite having longer hours of work per year, less investment in professional development and higher individual responsibility levels within a highly regulated workplace.

Rodd (1998) also indicates the disparity noting, "In a society in which salary and education are credentials for credibility it is little wonder that preschool leaders are not as respected or taken as seriously as their peers in the field of education".

Demouplos et al (2012) indicate that "...only about two per cent of males make up the early childhood profession". Barriers such as societal perceptions of child care being women's work, lack of male peers, limited career pathways, low pay and status all contribute to the dichotomy of why men do not choose early years education and care as career choice.

It is interesting to note that until the COAG *National Partnership Agreement on Early Childhood Education* (universal access) Australia did not have access to preschool education being a legal right. In comparison to formal schooling, early childhood education was seen as either care or preparation for formal schooling. It was not viewed as a necessity, therefore relegating early childhood educators as 'babysitters'.

Roberts-Holmes (2013) noted in his study, "that although the status validates some Early Years Professional's pedagogical leadership, nonetheless their professional status remains ambiguous and problematic. The reasons for this include poor and declining

pay; a misunderstood and ambiguous professional role and status and increased managerial responsibilities”.

3. Ensuring access to high quality professional development and low cost qualifications as well as clear qualification pathways

Research clearly demonstrates the link between the provision of quality early education and care and better outcomes for children. In 2008 the NSW Department of Community Services stated

“Early childhood educators with a university qualification that included a child development specialisation were found to hold less authoritarian child-rearing beliefs, and worked in settings that were safer, cleaner and more stimulating. There is a strong link between specialised qualifications, process quality and child outcomes there is a strong link between quality of care and children’s language, cognitive development and maths readiness.” (Research to Practice Notes, 2008)

The National Quality Standard (NQS) is more rigorous, raising the bar for quality provision across all seven quality areas. This higher quality can be achieved only with a qualified and professional workforce. Educators with more and higher qualifications have a wider range of knowledge and skills which enable them to promote optimal child development by:

- engaging more holistically with children and colleagues;
- planning and scaffolding children’s learning;
- critically reflecting and teaching intentionally;
- valuing cultural and social contexts;
- creating learning environments; and
- “participating in secure, respectful and reciprocal relationships and partnerships” (Australian Children’s Education and Care Quality Authority (2011), *Guide to the National Quality Standard*, p. 21).

This review must consider the following issues which impact on the sector’s capacity to maintain a qualified and professional workforce.

- Information on further qualifications and on professional development must be distributed widely and then be easily and readily accessible.
- The cost of early education and care qualifications must be reduced, kept low and/or continue to be funded. The NQF is a national framework. Therefore, it is consistent with the rationale behind the NQF and NQS for early education and care qualifications to be funded by the Australian Government.
- Pathways to higher qualifications must be made as easy and diverse as possible to encourage more educators to join and then stay in early education and care positions.

- Funding for professional development must continue and indeed, be increased in order to provide greater opportunities for both providers and educators, and thereby to continue up-skilling the workforce;
- There must be a holistic approach to provision of professional development across all service types; for example, some 800 plus NSW preschools (all of which are community based not-for-profit services) cannot access subsidised professional development provided through the Inclusion and Professional Support Program (IPSP) as they are funded by the State Government and IPSP is funded by the Australian Government.

The results of the Assessment and Ratings process show that a greater number of not-for-profit community-based services have achieved higher ratings.

This indicates the quality provision prevalent in the not-for-profit sector and emphasises the need to preserve the not-for-profit community-based model. Through its commitment to quality, its emphasis on better qualified staff and its practice of retaining all profits for further development and quality improvement, this can be seen to be the best model for quality provision in a cost-efficient manner.

4. Ensuring additional support for rural and remote services

There are a range of challenges that face community based not-for-profit services located in rural and remote areas.

4.1 Recruitment and retention

The Productivity Commission report on Early Childhood Development Workforce released on 1 December 2011 identified the difficulties faced by rural and remote services in recruiting and retaining adequate skilled and/or experienced workers, particularly for positions requiring tertiary qualifications. Whilst the 'Recognition for Prior Learning' initiative has subsequently been introduced, there has been an insufficient time period for true evaluation of the effectiveness of this program. Anecdotally, however, it is recognised that recruitment and retention continues to be an issue and this has flow on effects for the size and nature of services offered in rural and remote areas which has further effects on children's access to and the affordability of ECEC services in these areas.

4.2 Diversity and flexibility of services delivery

In regards to the types of ECEC services which work particularly well and are viable in rural and remote areas, ACCS NSW is aware of a small number of community based education and care services who attempt to offer a range of service types within the one facility. These services might offer a preschool option (with shorter, typically preschool hours), a long day care option and an out of school hours (before and after school care, vacation care) option all under the one Service Approval.

Challenges faced by these services include access to relevant funding as in NSW new services are not eligible for funding from NSW Department of Education and Communities. If a long day care service wishes to introduce a preschool option they are not eligible for any NSW Government preschool funding, and in the reverse situation the service may risk having their preschool funding reduced if they introduced

a long day care component. This can affect the financial viability of the service and discourage services from taking this flexible approach.

4.3 Cost of service delivery versus services utilisation in a small population

Rural and remote services face further challenges in relation to fee levels being affordable for the community they reside in and remaining financially viable. Fee levels in rural and remote areas are traditionally lower than in metropolitan areas but there are standard expenses within any early education and care service operating budget regardless of location. Many of these expenses are higher in rural and remote areas, such as staffing (where many centres have to offer 'better' employee entitlements to attract/retain staff) and cost of utilities and food. This has obviously negative impacts on the financial viability of the service.

4.4 Access to professional development

Professional Development for rural and remote educators is also an issue. The main challenge for these services is access to and affordability of 'face to face' training and in-services where the training organisation is not subsidised for providing to rural and remote areas.

Many training organisations are not subsidised to cover the additional costs of providing training in rural and remote areas. The actual cost of sending a presenter to any non-metropolitan area, which may include travel and accommodation, is usually charged back to the participants which often makes the training unaffordable and it becomes a 'Catch 22' situation – training organisations need to cover their costs (at a minimum) in order to offer workshops/in-services in rural and remote areas and educators are often unable to attend due to affordability; this decreases the likelihood of the organisation offering further opportunities or results in them increasing the charge to the participants and the cycle continues until the opportunities are no longer viable and cease altogether.

Access to online professional development opportunities has its own challenges specifically regarding the reliability and strength of the internet in these areas.

ACCS NSW recommends that additional funding is provided to rural and remote community based mainstream early education and care services to ensure their viability. This funding needs to be flexible to allow for the individual requirements of the different locations and not be constrained by traditional sources of funding; that is state/territory versus Australian Government.

5. Developing mechanisms to provide access to capital to enable the development of new community based services where needed

Real investment into the community based early education and care sector has been long overdue. Aside from small grants targeted to increasing some places in selected markets, there has not been any significant capital for the growth of the community sector since the 1980s.

Those original community based services, funding jointly by the Federal, State and in some cases local government, are now in need of refurbishment to meet best practice principles and the National Quality Standard.

Since the last real capital investment, the market has dictated the provision of education and care services; this has left families and service providers with oversupply in some areas and drastic undersupply in others. The growth of corporate care in the 2000s pushed out some community based providers leaving families with a lack of choice of care. Families choose community based children's services so that they have a real say in the provision of quality and its management.

When parents have an opportunity to influence the education and care provided to their children, they tend to be more secure in the knowledge that the quality of the education and care provided is the main focus of the community based service.

By providing capital investment in the community based sector, a more targeted approach can be applied to the provision of care addressing areas of high need and under-supply, restoring balance and allowing families greater choice in providers. A community based provider is more likely to provide education and care in markets which seem unprofitable, for example, education and care for children aged from birth to less than 2 years, and education and care for children with additional needs. An investment in capital for community based services and providers can address these gaps in service provision.

There have been past successful examples of this with community based education and care services receiving no interest/low interest loans from the Australian Government that were repaid over an agreed ten to fifteen year period.

As community based early education and care services invest all the income generated back into the provision of service, investing in the sector is an investment in the community which pays off in dividends for children, families and the future.

6. Fixing the inequitable support by state and territory governments for early education and care and fixing the universal access program

The COAG *National Partnership Agreement on Early Childhood Education* was established to improve "the supply and integration of early childhood services through the delivery of universal access to quality early childhood education in the year before full-time schooling" (p. 3). Universal access was to be "delivered by a four year university qualified early childhood teacher, in accordance with a national early years learning framework, for 15 hours a week, 40 weeks in a diversity of settings, in a form that meets the needs of parents and in a manner that ensures cost does not present a barrier to access" (pgs. 6-7).

Each Australian state and territory has signed a bilateral agreement with the Australian Government with regard to universal access. Each of these agreements is different and every state and territory has a different level of investment in early education and care.

In NSW implementation of universal access has resulted in a net reduction of children attending funded preschool programs.

These differences have resulted in children having inequitable access to early education and care.

The agreement specifies access for children to a preschool program for 15 hours a week and 40 weeks of the year. This does not allow for different operational requirements nor acknowledge successful existing models of operation in states and territories. In some

states, for example NSW, attempting to comply with the 15 hour a week requirement has resulted in less service flexibility and a net reduction of children in the state that access a funded preschool program exacerbated by the NSW Government withdrawing funding for 3 year olds from 2014.

The intent under the Universal Access agreement to ensure that children have access to 15 hours of education has thus negatively impacted on some children's capacity to access early education in NSW.

The Australian Government has few policy levers to ensure the money is spent as agreed on early education. This is particularly marked in NSW, the state that commenced working towards the agreed outcomes and outputs with the least investment per child in early education compared with any other state or territory, and the lowest proportion of children attending a preschool program in the year before school.

The result of having two COAG agreements relating to education and care services – one for universal access and the other regarding the National Quality Agenda⁶ - has actively worked against an integrated approach to early education and care and the successful implementation of the National Quality Agenda in some states and Territories. One of the unintended consequences of having two separate agreements has been decisions regarding policy and implementation being made in separate state/territory or Australian Government silos, with different areas of responsibility residing with different layers of government control.

ACCS NSW and ACCS National believe that all education and care services, including preschools should reside with one level of government to ensure national consistency and equitable access to education and care services for all Australian children regardless of where they live, and logically this responsibility should reside with the Australian Government.

⁶ *National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care* (2009)

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NSW Children's Services Forum Submission.

As a member of the NSW Children's Services Forum ACCS NSW also agrees to the points made in the following submission.

NSW Children's Services Forum

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Who we are

The NSW Children's Services Forum consists of NSW state-wide specialist organisations representing or supporting non-profit community based early education and services. These include peak organisations, resource agencies, co-ordinating bodies and large not-for-profit early education and care providers.

Members who support this submission are: Australian Community Children's Services (NSW Branch) The Benevolent Society, Community Child Care Co-operative (NSW), Contact Inc, Council of Social Service of NSW (NCOSS), Ethnic Child Care, Family & Community Services Co-operative Ltd, KU Children's Services, Mobile Children's Services Association Inc, Montessori Australia Foundation, Network of Community Activities, NSW Family Day Care Association, Occasional Child Care Association, SDN Children's Services, UnitingCare Children, Young People and Families and UnitingCare Children's Services.

What is this submission?

This submission has been made directly to the Productivity Commission Inquiry, but in addition all signatory organisations are including it in their individual organisational submissions to the inquiry. Combined, our organisations represent the majority of peak organisations and large providers in the early education and care sector in NSW. We hope, in view of this that the Productivity Commission considers these statements within this context. Please see footnotes.¹

NSW education and care² In NSW around:

- 207,000 children attend long day care services
- 42,000 children use family day care or in-home care services
- 2,500 use occasional care
- 53,000 attend preschools
- 100,000 use outside school hour care services.

There are around:

- 2,500 long day care services
- 140 family day care services and in Home care services
- 40 in home care services
- 1300 outside school hours care services
- 800 community based preschools and 100 NSW Department of Education preschools
- 60 mobile (out of scope of NQF) services (long day care, preschool, occasional care)
- 90 occasional care services

Excluding preschools, 250,000 families use these services.

¹ In this statement we have defined early education and care services to include out of school hours care services.

² www.docs.education.gov.au/system/files/doc/other/child_care_early_learning_in_summary_march_quarter_2013_0.pdf and www.det.nsw.edu.au/media/downloads/about-us/statistics-and-research/public-reviews-and-enquiries/review-of-nsw-government-funding-for-early-childhood-education/review_nsw_gov_funding_ece.pdf

Overarching Focus

We request that the focus of the findings of the Productivity Commission Inquiry Report be on the rights of all children in Australia to access quality early education and school hours care rather than the workforce participation needs of their families.

A large body of evidence exists that shows:

- Children learn more in the first five years of their life than at any other time;
- That children who access quality early education and care perform better academically at school;
- Investment in early education and care delivers high economic returns;
- Access to early education and care ameliorates educational economic disadvantage;

Evidence also exists that access to quality outside school hours care benefits children.

To ensure that each child in Australia gets access to high quality early education and care, we believe the following changes need to be made to our existing Australian early education and care system:

1. Adoption of a best practice model of early education and care by all states and territories.

- NSW has a proud history of provision of integrated education and care in centre based early childhood services. This was made possible by having the same regulatory requirements for all centre based education and care services for 0-5's regardless of where they lay on the education and care spectrum. This has meant that most children have their early education and care planned by a university qualified early childhood teacher. Research shows that this increases quality of early education and care.

2. Retention of the NQF

- Considerable investment by both the early education and care sector and all levels of government has already been made into the National Quality Framework.
- The National Quality Framework was based on sound and extensive evidence about the factors that impact on education and care quality and was developed after extensive consultation.
- We are committed to maintain the current timelines for qualifications and ratios in centre based services and levels of quality identified in the NQF because these are based on this evidence.
- We believe that current out of scope services (eg mobile services and occasional child care services) should be resourced to be brought into scope of the NQF as soon as possible.

3. A better system of planning for early education and care

- There needs to be a more targeted approach to provide and fund services rather than relying on market forces. The market tends to leave gaps in service provision (children with additional needs, babies, children in remote areas, Aboriginal and Torres Strait Islander children, children from culturally and linguistically diverse backgrounds, economically disadvantaged and other vulnerable and at risk children).
- Increased opportunities for community based providers to establish and expand including access to funding mechanisms to restore a balance in the provision by for profit /non for profit providers.

4. Reform of the way we fund early education and care services

- Establishing a nationally consistent system for state and federal subsidies for all education and care services which are in scope of the National Quality Framework (including preschools and kindergartens) to ensure affordability for families.
- Increased investment to support quality provision in all education and care services.
- Ensuring that if funding is expanded to additional services that this be in done with funding in addition to that currently available from the existing funding envelope.
- Consider moving from the current system of parental subsidies through CCB and CCR to a system which funds services directly.
- Build into this funding system funding to support the full inclusion of children who would otherwise be excluded at a rate that does not economically disadvantage the service by their inclusion.
- Combines all funding for early education (e.g. National Partnership on Universal Access to Early Childhood Education and State and Territory Government preschool and education funding) and childcare into the one funding “pot”.
- Ensures that priority of access guidelines do not exclude those children who would most benefit from access to early education and care.
- Taking action to ensure the ongoing financial viability of home based educators in NSW to enable all providers to continue resourcing and supporting educators to meet NQF requirements.

5. A sustainable early education and care workforce

- Improve professional standards by expanding ACECQA's role to include early childhood teacher degree curriculum development and approval.
- Mandate professional development pathways for all educators.
- Ensure access to professional learning in the areas of leadership and management as foundations for improved professionalism and increased effectiveness as a sector.
- Recognition of the increased responsibilities and professionalism of educators, as well as the importance of early education and care to children needs to be reflected in increased wages and better conditions.
- Development of career paths.
- Ensure adequate incomes for home based educators to enable the attraction and retention of educators within the family day care and in home care sector.