

Submission by Tasmania\*

# Productivity Commission Inquiry into Childcare and Early Childhood Learning

February 2014

\*As the current Government is in caretaker mode the submission has been co-ordinated by the Tasmanian Department of Premier and Cabinet.



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# I INTRODUCTION

Tasmania's submission to the Productivity Commission (PC)'s Inquiry into Childcare and Early Childhood Learning has been prepared at a departmental level given that the Tasmanian Government is now in caretaker mode due to the State election being held on 15 March 2014. The caretaker conventions which apply mean that major policy decisions cannot be made which are likely to commit an incoming government.

The submission seeks to address, where feasible, the questions raised by the Commission in its Issues Paper (December 2013). However, for the purpose of preparing a response to the Issues Paper, it is necessary to highlight significant differences in the model and delivery of preschool education in this jurisdiction.

In the national context, Tasmania is unique in delivering universal pre-school<sup>1</sup> year (known as kindergarten) which is integrated into the government and non-government education systems. Kindergarten has been delivered sustainably through the education system for more than 40 years. It is regulated under the *Education Act 1994*.

The high numbers of low socioeconomic status families who could not afford to support community kindergartens, was a significant factor in the 1968 decision to embed kindergartens in the Tasmanian education system.

## Kindergarten in Tasmania – key facts

Prior to signing the five-year *National Partnership (NP) Agreement on Early Childhood Education in 2008*<sup>2</sup>, Tasmania already had a well-developed pre-school service delivered through the government and non-government school sectors with the following features, which are still retained today:

- All children who turn four by 1 January are entitled to enrolment in a kindergarten in a government school under the *Education Act 1994* but attendance is not compulsory.
- Teachers are registered with the Teacher Registration Board and are four year trained.
- No fees are charged in government schools - other than minimal school levies - and one third of enrolments qualify for waiver of levies.
- Enrolment rates across the government and non-government school sectors are consistently above 95 per cent. In 2013, 96 per cent of disadvantaged children and 100 per cent of Aboriginal children were enrolled in kindergarten.

Prior to signing the NP, government schools in Tasmania offered a minimum of 10 hours kindergarten per week funded fully by the Tasmanian Government. The additional money provided by the Commonwealth under the NP has supported an additional five hours.

Kindergarten is regarded as the 'first year of school' in the Tasmanian community.

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<sup>1</sup> The term 'preschool' is not generally used in Tasmania. Kindergarten is the preferred terminology in this jurisdiction and will be used in the Tasmania's Submission.

<sup>2</sup> In 2008, the Commonwealth and states and territories signed a five-year National Partnership Agreement on Early Childhood Education (the NP), through which the parties agreed to implement the 2007 Federal Labor election commitment that, by 30 June 2013, every child would have access to a pre-school program for 15 hours per week. Implementation of the NP commenced in 2009.

Kindergarten is delivered on school sites and the students (and their families) are considered part of the school community. Tasmanian kindergartens are the children's formal enrolment point into their local school and provide play-based learning for children. Each kindergarten class has a teacher and teacher assistant who work with the children.

Despite being a non-compulsory year, it is regarded by the Tasmanian community as the 'first year of school'. As a result, the kindergarten year enjoys almost universal take-up (over 95 per cent) by Tasmanian parents. Details of the State's provision of kindergarten, including the legislative and administrative structures, are provided in Attachment 1.

Due to the differences in the delivery of child care<sup>3</sup> and kindergarten in Tasmania, the responses in this Submission to the questions posed in the Issues Paper are categorised as either 'child care' or 'kindergarten' to avoid confusion. However, this should not be read as meaning they are 'separate' policy areas, in reality they both form part of the Tasmania's overarching approach to the early years, which also includes the Launching into Learning program, the Early Childhood Intervention Service and the Child and Family Centres.

The PC requested an informal consultation with representatives of the Tasmanian Government. A teleconference was convened on 6 February 2014 with Commissioner Wendy Craik; Commissioner Jonathon Coppel; inquiry staff and representatives from the Department of Education (DoE) and the Department of Premier and Cabinet. The Commissioners raised several issues which DoE undertook to provide further advice on (see Attachment 3 – Additional Information).

#### *Data*

At March 2013 there were 264 child care services in Tasmania. Of the 264 services there were 224 services regulated under Commonwealth legislation (10 999 places) and 40 (814 places) were under the Tasmanian *Child Care Act 2001* comprising:

- 113 services provide care for children under preschool age (a number also extend to school age). Two of the services are managed by the Aboriginal community;
- 99 services provide care for children over preschool age ie Outside School Hours Care (OSHC); and
- 12 are Family Day Care (FDC) programs.

Of the 264 services, 209 (79 per cent) are community based not-for-profit providers while 55 are private-for-profit providers. The high proportion of community based not-for-profit providers is traditional in Tasmania.

Child care services are located across the State, including regional and remote areas such as King and Flinders Islands.

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<sup>3</sup> 'Child care' (as opposed to childcare) is the preferred terminology in this jurisdiction and will be used in the Tasmania's Submission.



**Table 1 – Number of children using child care in Tasmania**

Source: Report on Government Services 2014

Number of children using Australian Government and state/territory child care services in Tasmania 3-5 years (Table 3A.10)	15 746
Number of children using Australian Government and state/territory child care services in Tasmania 0-12 years (Table 3A.10)	22 769
Number of children enrolled in preschool in Tasmania (Table 3A.10)	6 646
Number of children attending preschool in Tasmania (Table 3A.16)	6 543

*Note: There will be some overlap between children attending child care and children attending kindergarten. There may also be some double counting of children between S/T child care and AG child care services.*

**Table 2 - Child care services on school sites**

	Government School Sites	Non-Government School Sites
Number of education and care services (National Law)	70	30
Number of licensed child care services (Tasmanian Act <sup>4</sup> )	4	1
	74	31

DoE does not directly provide child care on school sites; these services are provided by separate legal entities.

DoE recognises the partnership opportunities between schools and child care providers and the benefits of an integrated continuum of services from birth to school years. DoE supports child care on school sites and works with the community, child care providers and local government authorities as required. This may include negotiations around provision of land, lease arrangements and the use of shared spaces.

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<sup>4</sup> These services continue to be regulated under the Tasmanian *Child Care Act 2001*.

Early childhood education, the NQF and the child care sector can play an important role in Tasmania's economic development. The sector has undergone significant change in recent years and its capacity to respond to further change (ie the impact of 'reform fatigue') should be borne in mind in any review of the regulatory environment.



## 2 GOVERNMENT INVOLVEMENT IN CHILD CARE AND EARLY LEARNING

### Tasmanian context

As noted above, Tasmanian kindergartens are **embedded** in every primary government and non-government school site, sometimes in composite groups with the next year of schooling (Prep) where class numbers are small.

Under the Education Act all children of eligible age are entitled to access kindergarten and participation rates have been above 95 per cent for many years.

Kindergarten in the government system is free.<sup>5</sup> School fees are payable in non-government schools.

The delivery of child care is similar to the rest of Australia although, as noted above, Tasmania has a higher proportion of community-based, not for profit providers (79 per cent).

Child care providers may deliver kindergarten if they are registered as a non-government school. Currently no child care providers deliver kindergarten because there is little demand from parents mainly due to the cost and the community perception of kindergarten as being the 'first year of school'.

DoE is the Tasmanian regulatory authority under Commonwealth legislation. A specialised unit within the Early Years and Schools Division, the Education and Care Unit (ECU), is operationally responsible for this function. Historically ECU performed licensing and monitoring functions under the Child Care Act (Tas) thus broader policy functions were limited. The introduction of the NQF has significantly expanded the scope of the ECU's work - its structure and function is evolving and being refined as the implementation progresses.

Tasmania's regulatory authority has historically had a generally positive and supportive relationship with early childhood education and care (ECEC) services. Each service has an authorised officer nominated as their 'point of contact'. Much of the anecdotal evidence cited in this submission reflects the ECU's strong relationship, and regular communication, with providers.

*What role, if any, should the different levels of government play in childcare and early childhood education?*<sup>6</sup>

### Child Care

The Australian Government is responsible for parental child care subsidies (Child Care Benefit (CCB) and Child Care Rebate (CCR)).

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<sup>5</sup> A levy of up to \$190 per year is payable however this is waived for those on low incomes.

<sup>6</sup> This heading style is used throughout the Submission to indicate the questions posed in the Issues Paper.

## *Occasional care*

The State provides funding support to occasional care to assist with local community access to these services - usually in rural or small communities and delivered by community-based services.

Tasmania notes the Federal Coalition Government's 2013 election commitment to reinstate funding to occasional child care services<sup>7</sup>. The State maintains regulatory responsibility for occasional care services with some capacity to fund service related professional learning in conjunction with the Commonwealth-funded Professional Support Co-ordinator (PSC).

The State currently funds programs that address specific jurisdictional needs targeted to local solutions.

## **Kindergarten**

Kindergarten continues to be delivered and regulated as part of the State system of education<sup>8</sup>. It is noted that the Issues Paper implies that kindergartens are eligible for the main forms of Commonwealth Government assistance<sup>9</sup>. Neither CCB nor CCR are payable in respect of children attending kindergarten in Tasmania except for a small number of independent schools where the kindergarten program is integrated with child care.

The State bears the full costs for the statewide provision of kindergarten infrastructure, staffing and programs (including delivery of the 10 hours). Under the NP on Universal Access<sup>10</sup> Commonwealth funding currently enables the delivery of five additional hours on top of the 10 hours already funded by the State. Other than this no Commonwealth funding is paid in respect of for the kindergarten year in Tasmania (in other jurisdictions service providers receive CCB funding).

## *What outcomes from ECEC are desirable and should be made achievable over the next decade?*

The original outcomes and principles as outlined the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care should be addressed and adhered to, in particular:

'the introduction of the NQF will assist in ensuring children participating in early childhood education and care and OSHC are engaged in and benefiting from educational opportunities, and have the knowledge and skills for life and learning, including by promoting greater school readiness; [and]

by providing greater access to quality early childhood education and care experiences which have been demonstrated to have particular benefits for children from disadvantaged backgrounds, the national quality system will assist children to benefit from better social inclusion and reduced disadvantage'.<sup>11</sup>

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<sup>7</sup> The Coalition's Policy for Better Child Care and Early Learning (September 2013)

<sup>8</sup> See Attachment 1 for further detail.

<sup>9</sup> Pc Issues Paper page 3.

<sup>10</sup> Current NP expires in 2015.

<sup>11</sup> NP on the National Quality Agenda for Early Childhood Education and Care 2009 - clause 18 (a) and (b).



### 3 DEMAND FOR AND EXPECTATIONS OF CHILDCARE AND EARLY LEARNING SERVICES

#### Who uses childcare and early learning services and why?

*The Commission is seeking empirical evidence on demand for ECEC, in particular:*

- *Are there families from particular household structures, socioeconomic groups or geographic areas that are now using some forms of ECEC significantly more than in the past?*

#### Child Care

DoE is unable to provide comment as there is no data available. Access to such data would require a survey of ECEC services (or similar). However a number of family day care services for children from culturally and linguistically diverse backgrounds have applied or started up in the last 12 months which may indicate increased access or preference by these families for specific services. However, the cultural and language challenges in respect of the regulatory environment are emerging as an issue.

Many parents are from low income households and given their employment patterns they may have to travel significant distances or work unusual hours to secure employment. This requires additional flexibility in the types of child care they use. As an increasing number of new migrants move to Tasmania and seek work, there may also be an increase in the need for ECEC for children from culturally and linguistically diverse backgrounds. Consultations for the *Tasmania Women's Plan 2013-2018*<sup>12</sup> also identified that women coming from family violence situations can find it particularly difficult to access child care.

#### Kindergarten

All families have access to school-based kindergartens in Tasmania and this pattern has not changed over forty years. (Extensive data on preschool/kindergarten has been collected for reporting against the NP on Universal Access). In 2013, 96 per cent of disadvantaged children and 100 per cent of Aboriginal children were enrolled in kindergarten in Tasmania. However, while the number of children accessing kindergarten has not increased, there may have been some reduction of demand for child care due to the additional five hours funded by the Commonwealth under the NP. As noted above, kindergarten in government schools is free in Tasmania.

- *Which types of families are likely to require significantly more or less use of ECEC in the future?*

#### Child Care

There is no empirical evidence available. However anecdotal evidence suggests that while there are pockets of high demand in some Hobart suburbs, elsewhere in the state there is no significant unmet demand. There are some areas of oversupply, particularly in the North and North West of the State. In the future, increased employment opportunities may lead to greater demand from families if currently unemployed parents move into the workforce.

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<sup>12</sup> [http://www.dpac.tas.gov.au/divisions/cdd/policy/our\\_policies/tasmanian\\_womens\\_plan](http://www.dpac.tas.gov.au/divisions/cdd/policy/our_policies/tasmanian_womens_plan)

## Kindergarten

While kindergarten has increased from 10 to 15 hours a week, Tasmania has had universal access to kindergarten and high participation rates for at least four decades. As the 15 hours of kindergarten has now been in place for more than 12 months, it should not lead to any further reductions in the demand for child care for kindergarten-aged children.

## Children's development needs

*The Commission is seeking evidence on the effect of the different types of ECEC, including separate preschool programs, on children's learning and development and preparedness for school.*

## Child Care

Research notes that the quality of program and staff (including their qualifications) are more important than the type of ECEC used. Evidence from education and care services Assessment and Rating under the NQF indicates that a growing number of these services have, or are developing, sound linkages with local schools. It is too early to determine trends or identify reliable data.

## Early Childhood Intervention Services

The statewide Early Childhood Intervention Services (ECIS) support children with a disability or developmental delay from birth to school entry and their families. The service builds on opportunities for learning and development that are provided at home or through birth to four programs.

ECIS provides a range of specialist services for families with children who have a disability or developmental delay, prior to school entry, including:

- supporting families to help their children's development;
- linking families to services and providing access and coordination of services;
- accessing flexible developmental education programs;
- accessing therapy services such as physiotherapy, occupational therapy and speech; pathology
- providing additional support to improve access and participation in community services such as child care; and
- assisting with transition to school.



## Kindergarten

More than 95 per cent of Tasmanian children attend kindergarten. As kindergartens are embedded in primary schools - they are not stand-alone - 'preparedness' in this context relates more to the following year of school (Preparatory or 'Prep') which is more formal; full-time and compulsory. The State's *Launching into Learning*<sup>13</sup> program provides resources to government schools to develop and lead initiatives with families and their community to support children's early learning (birth to four) prior to entering kindergarten.

*How does the amount of time spent in ECEC and the age at which a child first enters childcare impact on learning and development outcomes?*

## Launching into Learning

The *Launching into Learning Longitudinal Study 2007 to 2014*<sup>14</sup> began with an initial evaluation of the 2007 cohort. It concentrates on Launching into Learning (LiL) in 2010 and the multi-year progression of the results since 2007. Future reports will track the longer term impact of LiL which will be evaluated through NAPLAN results as they become available for these LiL cohorts.

The *Longitudinal Study* has established that regular participation in LiL gives children a significant boost in general development, reading and maths performance. These improvements are maintained after participation in LiL ceases, with LiL children showing improved results through Kindergarten and at least until the end of Prep. These benefits occur irrespective of gender, socioeconomic background or Aboriginal status.

## Kindergarten

Anecdotal evidence from kindergarten teachers in the 13 schools where the additional five hours of kinder were piloted in 2008, pointed to improvements in general development, curriculum delivery and student outcomes, attendance and family engagement and relationships amongst the same group of children.

## Australian Early Development Index

The Australian Early Development Index (AEDI) is a national measure of how young children are developing in different communities. The AEDI is a population measure and its data collection takes place nationwide every three years.

The first AEDI was completed in 2009. A follow up data collection occurred in some small areas in 2010, significantly increasing the proportion of local communities which could be reported across Tasmania.

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<sup>13</sup> See Attachment 2.

<sup>14</sup> <https://www.education.tas.gov.au/documentcentre/Documents/Launching-into-Learning-Longitudinal-Study-2007-2014-Report-2012.pdf>

A *Snapshot of Early Childhood Development in Tasmania*<sup>15</sup> reports on the 2009 AEDI results for Tasmania, providing a picture of early childhood development outcomes in the Tasmanian context. This report represents information on 6 826 Tasmanian children.

DoE is undertaking a number of data linkage projects to link all Early Years (defined as 0 to 8 year olds) datasets. The datasets planned to be linked include peri-natal data, Australian Government child care data, kindergarten enrolment data, Kindergarten Development Check assessments, Performance in Primary Schools (PIPS) (administered to Prep students on and NAPLAN assessments.

*Would extending the length of the school day have a significant impact on children's learning and development outcomes or parents' workforce participation decisions? What other impacts would such changes have?*

While research outcomes are varied, the length of time allocated for the school day should not be considered in isolation in any assessment of impact on children's learning and development outcomes. For example, use of allocated time (existing and/or additional), age of the child, level of engagement and sociological factors are also valid considerations. Tasmania notes that some children already attend a range of educational/recreational programs for extended hours ie before school programs, formal school, after school programs and vacation programs. The programs are sometimes loosely linked together, depending on the strength of provider/school partnerships, but are generally not integrated. It is likely such programs support parents' workforce participation decisions.

## Impacts on workforce participation

*What is the relative importance of accessibility, flexibility, affordability and quality of ECEC (relative to other key factors) in influencing decisions of parents as to whether they work or remain at home to care for children?*

### Child Care

The relative importance of these factors varies according the individual family and their circumstances including financial, employment and number of children as well as their understanding of the value of participation in ECEC. Anecdotally, given the economic climate, affordability is very important to families.

As noted above, Tasmania does not have significant unmet demand for child care places. There may be some communities, particularly in rural and remote areas, where there is no ready access to a Long Day Care (LDC) service and limited availability of more flexible options such as FDC.

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<sup>15</sup> [http://www.education.tas.gov.au/parents\\_carers/early\\_years/Programs-and-Initiatives/Pages/Australian-Early-Development-Index.aspx](http://www.education.tas.gov.au/parents_carers/early_years/Programs-and-Initiatives/Pages/Australian-Early-Development-Index.aspx)



Access to child care has been raised as an issue by some families, who have children with disabilities; in particular OSHC is difficult to access due to staffing ratios and the physical setting (usually specified areas on school/community sites) in which the services operate. In 2013 a State convened bipartisan committee worked with stakeholders to develop solutions for families. Under current arrangements, further work is expected in 2014 to establish a vacation care (OSHC) service operated by an experienced community ECEC provider using existing specialised DoE facilities.

The State received over 1 100 responses to a survey about women's participation in different areas of life, when consulting on the *Tasmanian Women's Plan 2013-18*. Submissions were also received from women's sector organisations. A recurrent theme was that access to child care and affordability was a key barrier to women's participation in the workforce. Many participants wanted to see increased government and private sector action to address these issues such as workplaces being more flexible around child care arrangements, or offering onsite child care.

### Kindergarten

Schools consult with parents on the delivery patterns for kindergarten. Over time delivery has changed from half days to full days as a direct result of parents' feedback that half day delivery made workforce participation difficult, as in places where child care was not co-located with the kindergarten, children had to be physically moved between locations midday. Currently only six per cent of kindergartens deliver half day sessions, 85 per cent deliver full days and nine per cent deliver a mix of half and full days.

*What trade-offs do working parents make in relation to their demand for ECEC? For example, are they prepared to accept lower quality care if that care is close to where they live or work and/or enables them to work part-time or on certain days?*

### Child Care

ECEC services are better placed to provide comment on this matter.

No specific consultation was undertaken on this matter during the development of the *Tasmanian Women's Plan*. However, a number of respondents advised that they were seeking care that was flexible in their regional location, more tailored to the hours they wanted to work and would enable them to participate in education and community activities. There may therefore be community demand for options that can offer greater flexibility for working parents.

### Kindergarten

As kindergarten is embedded within the Tasmania school system, it is likely families factor this into their employment decisions. The high participation rate is indicative of general parent perception that kindergarten marks the 'start of school' for their child.

*Has increasing workforce participation by mothers increased demand for childcare, or has improved availability, affordability, and/or quality of childcare led to increased participation?*

There is no data available.

## *How have government ECEC support programs affected workforce participation?*

### **Child Care**

DoE does not collect this data.

The State funded occasional care programs, such as playcentres or neighbourhood care models, could potentially support part-time employment, working from home or study for parents – particularly in rural areas. However there is no data available.

### **Child and Family Centres**

The State has established 12<sup>16</sup> Child and Family Centres (CFCs), for children from birth to age five and their families.

The CFCs are located in at-risk communities across Tasmania to help regional families with barriers to participation. The CFCs work with families to improve the health and educational outcomes for children in birth to five age-group, provide integrated early years services in local communities and to build on the existing strengths and capacity of families and communities. The CFCs connect children and their families to pathways of learning and participation as well as creating a culture of learning and educational involvement in the community.

The ultimate aim of CFCs is not only to improve outcomes for children but also to assist their parents and other community members to increase their local community participation through volunteering, training and skill development, developing networks of support, and future employment opportunities.<sup>17</sup>

### **Kindergarten**

As noted above, entry to kindergarten ('starting school') provides an opportunity for parents to participate in the workforce. Many kindergarten children access flexible<sup>18</sup> OSHC programs – often on school sites - further supporting their parents' workforce participation. FDC also provides care for school-aged children (including kindergarten), which also supports working parents.

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<sup>16</sup> Construction of the last CFC, George Town, is due to commence in 2014. Two CFCs, Bridgewater and Geeveston, are Commonwealth-funded through the Closing the Gap: National Partnership Agreement on Indigenous Early Childhood Development. The Beaconsfield Child and Family Centre is co-located with an early learning and care centre which was funded by the Commonwealth Government.

<sup>17</sup> Further information on the CFCs is provided in Attachment 2.

<sup>18</sup> On some sites, where the kinder not offered in full-day sessions, kindergarten children are able to access additional OSHC sessions.

## 4 AVAILABILITY AND COST OF CHILDCARE AND EARLY LEARNING SERVICES

### Availability of childcare and early learning services

*The Commission is seeking evidence on:*

- *the extent to which parents are experiencing difficulties accessing ECEC that meets their needs/preferences and whether there are particular categories of care, times, locations or circumstances for which accessing ECEC is more difficult — for example, regional areas, certain days or part days each week, or for children with additional needs?*
- *how parents identify vacancies or choose which ECEC service to use — for example, are parents aware that the My Child website ([www.mychild.gov.au](http://www.mychild.gov.au)) and at least one privately operated website allows them to search for centres reporting vacancies and do they find this service accurate and/or useful?*

### Child Care

DoE does not collect such data for childcare. However, anecdotal evidence indicates some regional areas have difficulty with access and choice, as do parents of children with disabilities (particularly OSHC – as previously indicated). The collection and interpretation of such data would be difficult given the dispersed regional population and the relatively small numbers involved.

### Kindergarten

All primary schools offer kindergarten enrolments. Children are enrolled in their local school – out-of-area enrolment can occur in certain circumstances. Children can also be enrolled in the non-government schools of their parents' choice.

In government schools there is no limit on enrolment numbers. If the child is of eligible age and within the school area they must be provided with a place. Children with additional needs are supported to transition to kindergarten in government schools through the ECIS.

A number of respondents to the *Tasmanian Women's Plan* consultations identified access to child care as an issue - in particular flexible models to match employment or study patterns and availability of care in regional areas.

*The Commission is seeking information from ECEC providers on:*

- *how the sector has responded to growth in demand, including changes to types of care offered, cost and pricing structures used by different types of providers, and any viability pressures*
- *the key barriers that are inhibiting an expansion in ECEC services where demand is highest, development of more flexible ECEC, or alternative models of care*
- *approaches to managing childcare waiting lists that have been shown to be successful.*



## Child Care

As noted elsewhere 'rapid growth in demand' is not the general experience in the Tasmanian ECEC sector.

## Kindergarten

As indicated previously, kindergarten in government schools is free and there is no limit on enrolments. If numbers in schools increase then further infrastructure is made available. OSHC is provided on many school sites.

## Flexibility of childcare and early learning services

*The Commission is seeking information on:*

- *the extent and nature of unmet demand for more flexible ECEC*
- *the reasons why current providers are not offering more flexible care options*
- *the experiences of providers who offer flexible care options and their management strategies to maintain financial viability*
- *the outcomes of the Child Care Flexibility Trials and circumstances under which successful approaches can be replicated*
- *affordable approaches to improving flexibility, including innovative options that could involve new provider models.*

## Child Care

DoE does not collect such data on child care services. However, anecdotal evidence indicates that FDC and In Home Care (IHC) services in Tasmania play a key role the provision of flexible models of care.

Tasmania successfully participated as one of the three pilots for the Australian Government's IHC model (in the early 2000s) and IHC providers<sup>19</sup> continue to operate in the State. Flexibility in centre based models has been tried in the past. Providers have indicated that these attempts were not viable.

## Kindergarten

Although the comments in the Issues Paper relate solely to child care, the following observations are offered in respect of Tasmania's kindergarten system:

- more than 95 per cent eligible children are enrolled;
- schools aim to provide kindergarten in sessions which meet parents' needs; and
- many kindergarten students can access outside school hours care, often on school sites or close by.

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<sup>19</sup> There are currently three IHC services which are provided as part of the Family Day Care program

## Services for additional needs and regional and remote areas

*The Commission is seeking information on:*

- *how well the needs of disadvantaged, vulnerable or other additional needs children are being met by the ECEC sector as a whole, by individual types of care, and in particular regions*
- *the extent to which additional needs are being met by mainstream ECEC services or specialised services*
- *key factors that explain any failure to meet these needs*
- *what childcare operators and governments can do to improve the delivery of childcare services to children with additional needs?*
- *the types of ECEC services which work particularly well and would be viable in regional and remote locations.*

## Child and Family Centres

The CFCs connect children and their families to pathways of learning and participation as well as creating a culture of learning and educational involvement in the community. The CFCs are located in at risk communities across Tasmania to help regional families with barriers to participation.

## Child Care

As noted above, access to OSHC services has been raised as an issue by some families who have children with disabilities.

There is anecdotal evidence that child care providers experience financial challenges in employing sufficient additional staff to support children with additional needs – including comment that the Australian Government's Inclusion Support program does not offer sufficient resources to overcome this issue.

A number of existing child care centres do not have purpose-built facilities to support the care of children with additional needs.<sup>20</sup> DoE contributes to modifications which may be required through a small capital upgrade grants program to assist services to meet standards (historically this has been to meet licensing standards). This grants program is to be reviewed in 2014 to ensure available funds are well targeted to current needs.

While schools have appropriate facilities to cater for children with additional needs, it is not always possible or practicable for OSHC services operating on school sites to access these facilities for their programs. For example, due to the time of the program (before and after school / vacations) and the numbers of children attending the program, OSHC is often provided with space in a school hall or multipurpose room whereas access to additional needs facilities are located in a different area of the school campus. Site security and staff availability may make access difficult.

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<sup>20</sup> The Commonwealth Government no longer provides funding for capital works in child care centres.

There is a potential issue in areas where only registered/state licensed services<sup>21</sup> operate as these services are not eligible for support through the Commonwealth Inclusion and Professional Support Program (IPSP). This may limit the inclusion of children with additional needs in these services.

As noted above, FDC and IHC are well placed to meet specialised and/or flexible child care needs, particularly in rural and remote areas. It is noted that provision of these flexible options already come at additional cost to the Australian Government – through the provision of FDC operational support and CCB loadings. There is anecdotal evidence of high levels of utilisation of the Special CCB payment in IHC services.

The viability of small centre-based services in rural and remote areas of Tasmania has been supported by larger providers acquiring these services and continuing to operate the services with the benefits afforded through economies of scale. For example, the Northern Children's Network currently provides LDC, FDC, IHC and OSHC services across Tasmania, including Queenstown, Flinders Island, St Marys, Campbell Town, Bicheno, Scottsdale and Spring Bay.

### Kindergarten

As indicated above ECIS supports children with a disability to make the transition to government school kindergartens. English as an Additional Language Services is also provided. Transport is provided in regional and remote areas to enable kindergarten children to attend their closest school.

### Cost of childcare and early learning services in Australia

*The Commission is seeking information and where possible quantitative evidence on:*

- *financial difficulties arising from paying childcare fees, including the types or location of families experiencing the greatest difficulties in meeting childcare costs*
- *changes in the use of ECEC, including the type of care used (formal and informal), in response to changes in the cost of care*
- *the extent of price competition between providers and the effect this has had on fees and the quality of services provided*
- *the flexibility providers have to price in response to demand and/or to meet the particular care and learning needs of children.*

### Child Care

DoE does not collect this data. As noted earlier, demand does not appear to be a significant issue in Tasmania. As a result there may not be the same level of price competition as that observed in other jurisdictions.

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<sup>21</sup> Services that continue to be regulated under the State's *Child Care Act 2001*.



## Kindergarten

As discussed earlier, given Tasmania's model of kindergarten delivery in primary schools ('the first year of school'), parents send their children to kindergarten in a school rather than in a child care service. As a result cost is not perceived as a significant factor. While the Issues Paper identifies that preschool costs are higher in other jurisdictions, this may reflect the different service delivery models.

## Low income families

Low income families with children are identified in the *A Cost of Living Strategy for Tasmania and Food for all Tasmanians: A Food Security Strategy* as a group facing particular risk from the cumulative impact of ongoing price increases for essential services (ie food, health, housing – including child care as a house expense, education and transport). As a result, people adopt one or more 'coping' strategies to manage of cost of living pressures, such as:

- substitution (eg eating food which requires less energy to prepare);
- rationing (eg reducing heating levels and times in the home);
- seeking increased resources through personal, family or community actions (eg selling possessions);
- accessing the welfare safety net (eg emergency relief services); and/or
- simply going without the basics (eg going without food, not getting a medical prescription filled, not keeping warm when it is cold).

## Rising prices of child care

Over five years from December 2008 to the December 2013, the national CPI for all-groups has increased by 13.4 per cent. Over the same period, the CPI for all-groups in Hobart has increased by 12.2 per cent.

The CPI for child care in Hobart over the same period has increased at over four times the national CPI rate, with prices increasing at 59.6 per cent<sup>22</sup>.

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<sup>22</sup> Australian Bureau of Statistics, *Consumer Price Index*, Cat. 6401.0, Table 1.1 CPI: Group, Sub-group and Expenditure Class, Index Numbers by Capital City. Available from <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6401.0Dec%202013?OpenDocument> [11 February 2014].

## Household expenditure on formal childcare

The 2009-10 Household Expenditure Survey<sup>23</sup> provides the following statistics on Tasmanian and Australian households who spent a proportion of their weekly budget on formal child care:

- Low income households with two dependent children spent approximately two per cent more of their weekly budget on child care when compared to the average expenditure of all Tasmanian households.
- There was an estimated 119 low income (first decile) households in Tasmania with two dependent children under 15 years who spent 6.2 per cent, or \$38, of their weekly household budget (\$616) on child care. The average expenditure of all Tasmanian households on child care was 4.3 per cent, or \$59, of the weekly household budget (\$1 379).
- The proportion of weekly expenditure by low income Tasmanian households on child care is greater than the average of all Australian households. However, the allocation from the weekly budget of all Tasmanian households towards child care was 1.5 per cent less than that of the average of all Australian households.
- Australian households with two dependent children under 15 years spent 2.7 per cent, or \$35, of their weekly household budget (\$1 242) on child care. The average expenditure of all Australian households on child care was 5.5 per cent, or \$97, of the weekly household budget (\$1 700).
- There were an estimated 39 couple households with dependents in Tasmania that spent 5.2 per cent, or \$74, of their weekly household budget (\$1 476) on child care.

Australian households with dependents spent 5.8 per cent, or \$107, of their weekly household budget (\$1 799) on child care.

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<sup>23</sup> Analysis on those households with a 25 per cent or lower Relative Standard Error.

## 5 GOVERNMENT REGULATION OF CHILDCARE AND EARLY LEARNING

### Current regulations impacting on ECEC services

*The Commission is seeking up-to-date evidence, specific examples and case studies that will inform an assessment of both the benefits and costs of current regulations impacting on ECEC services.*

#### Child Care

There appears to be general community acceptance of the benefit of and need for regulation of child care in order to afford appropriate protection to children in care. This perception is also shared by providers across services regulated under both Commonwealth and State legislation.

Tasmania's regulatory authority has historically had a generally positive and supportive relationship with ECEC services, each service has had an authorised officer nominated as their 'point of contact'.

Tasmania's Child Care Act provides for the regulation (licensing) of 37 services that remain out-of-scope of Commonwealth legislation such as occasional care (mostly 'playcentres' and neighbourhood model) services. These services are also supported in part by a State contribution to assist with their operational costs. While licences carry a minimal fee, services are also eligible for capital grants to upgrade facilities to address identified risk and/or licensing issues.

Through the implementation of the NQF across the 224 services under Commonwealth legislation, increased regulatory burden has been identified both through feedback directly from service and through the jurisdictional working groups convened and facilitated by the Australian Children's Education and Care Quality Authority (ACECQA). As a result a number of changes to reduce burden have been identified. Tasmania continues to work collaboratively with other jurisdictions, ACECQA and the Australian Government to effect the appropriate changes. The scheduled 2014 Review<sup>24</sup> of the NP on the National Quality Agenda (NQA) will provide further opportunity to evaluate, review and refine processes and systems.

Locally DoE continues to work with service providers to identify and address emerging issues and needs.

Through the NQF Assessment and Rating process some clear benefits of the new system have been identified. There are examples of rural and regional services embracing the NQF and achieving an award of 'Exceeding National Quality Standard'. In some instances communities have become even more involved in their local service, for example:

- Local suppliers donating products and services (garden beds or tanks) to support sustainability efforts;
- Service 'produce' being distributed/sold to families or taken to the local school; and
- increasing partnerships with schools and aged care facilities.

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<sup>24</sup> The structure and methodology of the 2014 Review is set out in the NP on the NQA (clauses 11, 64 and 65).



There are examples of services using the increased flexibility afforded by the National Regulations to vary the use of space within child care centres to support curriculum objectives. For example, as a designated separate sleep space is not required, some services have rearranged spaces used under prior State legislation as 'sleep rooms' to support other program options while continuing to provide for appropriate sleep and rest that meets individual children's needs.

The PC has requested information on waivers. This is provided in Attachment 3.

### **Interaction with other regulations**

Workplace Standards Tasmania previously advised the State that the building (physical) requirements for ECEC facilities under Commonwealth legislation could not be enforced unless these were included in the Building Code of Australia (BCA). Subsequently the *Early Childhood Centre and School Age Care Facilities Code 2012 (Tasmania)* has been approved by the State Minister for Workplace Relations. It applies in addition to the National Construction Code (NCC) Volume 1-Building Code of Australia, including the Volume 1 Appendices, Variations and Additions.

Where there is a difference in requirements the higher standard or the additional requirement applies. This code is further supported and explained by the development of the *Guide to the Early Childhood Centre and School Age Care Facilities Code 2012*. This means that architects and builders may need to refer to a number of documents and processes when designing/building ECEC facilities. This may not be the case in other jurisdictions.

Under prior law ECEC services were required to comply with the Tasmanian Appendix to the BCA which specified requirements for these facilities. As a result, the approval of the 2012 Code is not a foreign concept to existing ECEC providers. Guidance documents and support offered by the Tasmanian regulatory authority will assist new entrants to the ECEC sector.

The *Education and Care Services National Law and Regulations* do not duplicate requirements covered under other legislation, and have reduced unnecessary duplication (and potentially regulatory burden). However the onus is on providers to ensure they are aware of, and comply with, other relevant laws for example workplace health and safety reporting requirements.

In Tasmania the *Poisons Regulations 2008* place requirements around the administration and storage of medication on ECEC services in addition to those under Commonwealth legislation. A guidelines document is available on the DoE website. The Education and Care Services National Regulations specifies minimal the requirements for the administration of medication, how that administration is to be authorised and the medication record to be maintained in regard to that authorisation and administration. The *Poisons Regulations 2008* specify a number of matters including storage requirements, training required for educators who administer asthma medication and that the educator administering the medication must do so in accordance with the authority of the nominated supervisor.

The Tasmanian Parliament passed the *Registration to Work with Vulnerable People Act 2013* in November 2013. Regulations under this Act are currently being developed as well as a transition plan for child care personnel from the current safety screening clearance issued by DoE to a Working with Children Card under the new Act. The Department of Justice is leading this implementation process.

Streamlined and consistent approaches to regulation in the planning area can be important. The standardisation of planning schemes provides a clear and consistent platform to inform and assist with the establishment of child care centres. The regional planning initiative facilitates a range of opportunities to consider the supply and location of child care services in a set of standardised zones across the State.

## Kindergarten

Kindergartens in Tasmania are regulated under the Education Act. Non-government schools are regulated under this Act by the Tasmanian Schools Registration Board. To regulate them as well under the *Education and Care Services National Law Act 2010* would have led to significant duplication and legislation precedence confusion. Further information is provided in Attachment I.

## National Quality Framework

### Workforce issues and the effects of the National Quality Framework

*The Commission is seeking views and evidence on:*

- *the effect of increased staff ratios and qualification requirements on outcomes for children*
- *how ECEC providers are handling the pace of implementation of new staffing ratios under the NQF*
- *the case for greater recognition and assessment of competencies as an alternative in some cases to additional formal training and qualifications*
- *the impact of changes to staff ratios and qualification requirements on the cost of employing ECEC workers*
- *whether any increased staffing costs have been, or will be, passed on in higher fees charged to families.*

## Child Care

As the new staffing requirements have only been implemented from 1 January 2014 it is too early to comment on the impact of the requirement for centre-based child care services to have access to, or have in attendance, an Early Childhood Teachers (ECT) and for all educators to hold, or be working towards, an approved Certificate III.

DoE undertook a **Qualification Data Collection**<sup>25</sup> of the Tasmanian ECEC sector in 2013. The data indicated that services are mainly on track to meet the qualification requirements. The ECT requirement, being totally 'new' is the most difficult. Services indicate there are 'not enough ECTs around'. Services are also facing cost issues (the capacity to afford an ECT salary), challenges around the staffing structure to accommodate ECTs eg do they 'let go' a long serving (potentially) diploma qualified educator in order to employ an ECT? Despite the challenges, there is general support for the requirements.

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<sup>25</sup> The report is provided at Attachment 3. The report also outlines the sector's views of the key issues faced.

Centre based ratio requirements have not presented as an issue in Tasmania as most services readily made the changes with minimal impact.

The changes to FDC ratios did cause issues for some educators. Under the previous Tasmanian legislation these educators held an 'extended registration' (providing for the care of up to five children less than five years of age plus two over five years). FDC educators were given two years to transition to the new requirement of up to four children under school age. Some of these educators voiced their disagreement with the incoming ratios.

However by the end of 2012, all Tasmanian FDC services indicated a readiness to comply with the new requirement from 1 January 2014, noting that at least 40 per cent of Tasmanian FDC educators were already required to comply with the 1:4 ratio as they either had not previously held an extended registration or they had registered as FDC educators after 1 January 2012. (See also the Recognition Program on the following page).

*The Commission is seeking information on:*

- *initiatives of governments to address workforce shortages and qualifications, including the cost and effectiveness of these initiatives*
- *initiatives of providers to address their workforce shortages and skill needs, including the cost and effectiveness of these initiatives*
- *particular locations and areas of skill for which it is hard to find qualified workers*
- *the extent to which training/childcare courses enable workers to meet the requirements of the NQF and how training could be improved*
- *other workforce and workplace issues, including any aspect of government regulation, that affects the attractiveness of childcare or early learning as a vocation.*

As stated earlier, early childhood education, the NQF and the child care sector can play an important role in Tasmania's economic development. There are many factors which influence the successful provision and adoption of child care services.

The availability of, and access to, child care can impact on the ability of people to enter the workforce and can be an important factor in the liveability of a region and the ability to attract workers to an area. In some sectors and locations in Tasmania there may be difficulty in securing child care, which can affect workforce security. The availability of reliable child care supports workforce security and assists economic development more broadly.

Early childhood learning qualifications in Tasmania include the Diploma of Children's Services (Early Childhood Education and Care) and Certificate III in Childcare.

Tasmania, through Skills Tasmania, is progressing initiatives to support workforce development in the child care sector. From early 2014, Tasmania will support additional subsidised places for learners through the Career Start program. It is likely that the identified qualifications in child care will be covered under this program. This would support workers to enter the child care sector.



## Child Care

In 2009, DoE commenced a Recognition Program through the Tasmanian Skills Institute (now TasTAFE). Forty six qualified educators undertook assessor training and were supported to work as coaches with unqualified educators to assist them to gain recognition of their existing skills and knowledge, using recognition as a pathway to obtaining an approved child care qualification. One hundred and thirty five educators have participated in the program, 28 of whom have completed the Diploma, and the majority of others are studying to complete all required units. Sixty two child care services from across the State participated in the program.

A Skills Plan 2012-2016, which has been developed between Early Childhood Australia (ECA) - Tasmanian Branch and Skills Tasmania, aims to promote and facilitate skills development to meet the workforce needs of the ECEC and School Aged Care sectors following the implementation of the NQF. Skills Tasmania has a workforce partnership project with ECA to implement actions under the Skills Plan. The early childhood education and care sector has been successful in securing competitive funding for vocational training for existing workers and job seekers with of \$4.6 million over five years.

Tasmania has a Scholarship Program to assist educators working in services to gain a qualification or upgrade their qualification. \$35 000 is available annually. However this is underspent each year which may, in part, be due to other workforce initiatives available. A review is about to commence that will consider the reasons for this underspend.

For some years providers have indicated that some students completing child care courses do not hold the requisite skills and underpinning knowledge to function effectively in education and care services. There has been concern that there is difficulty in attracting suitable students to child care courses. The new training package should assist students to gain an understanding of the NQF however this is yet to be fully tested.

Historically DoE is aware that services in some rural, and most remote locations, experience ongoing difficulty attracting and retaining qualified staff - in particular, King and Flinders Islands, the West Coast, far North West Coast and East Coast.

Child care is still often considered as child minding rather than providing valuable education and care for children and this, along with the pay and conditions, means that it remains less likely to attract students. It is acknowledged that the pay and conditions may make working in the ECEC sector less attractive as a long term career. Staff up-skilling to degree level are known to leave the sector to pursue higher paid positions within the formal education (schools) sector.

## Kindergarten

Following the signing of the NP on the NQA, Tasmania committed to mirror as far as practicable and appropriate, requirements of the NQF, including:

- Teacher Assistants (TAs) in kindergartens are being provided with fee-free access to the Certificate III in Education Support<sup>26</sup>; and
- Registered teachers who do not hold an ACECQA approved early childhood four year qualification will have access to an ACECQA approved post graduate qualification from the middle of 2014.

In 2010 a new University of Tasmania Bachelor of Education (Early Childhood) (birth to eight years) replaced the Bachelor of Education and Care (BEC) and previous Bachelor degrees.

*Are the requirements associated with more subjective aspects of the National Quality Standards, such as 'relationships with children', clear to service operators and regulatory staff? Is further guidance required?*

## Child Care

Through existing ACECQA working groups, clarification of more subjective aspects of the National Quality Standard (NQS) is in progress with a number of Guidance Notes already published to assist authorised officers in their assessment decisions. Jurisdictions are working with ACECQA to support national consistency of process and shared understanding. It is expected the 2014 Review will explore this further.

*Could the information provided on the 'My Child' website be changed to make it more useful or accessible to families? Are there other approaches to providing information to parents about vacancies, fees and compliance that should be considered?*

DoE uses the ACECQA website and the National IT system (NQAITS) for information and data. The 'My Child' site is not used by DoE and, as such, the Department does not have a view at this time.

## Other regulations

*The Commission is seeking information on:*

- *how particular regulations (including the NQF) impact on the structure, operations, cost and profitability of ECEC services — for example, are services consolidating or amalgamating their operations to reduce administration costs*
- *the share of fees that can be attributed to compliance costs (quantified if possible)*

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<sup>26</sup> DoE is currently funding all current kindergarten TAs to undertake the current Certificate III (CHC30812). This course is being delivered by our Registered Training Organisation (TasTAFE) until the end of 2014, when the new course (CHC30213) replaces it.

- *the extent to which regulatory requirements are causing services to change the number or mix of children they care for*
- *the extent to which regulatory burdens arise from duplication of regulations and/or inconsistencies in regulations across jurisdictions.*

## Child Care

Some Tasmanian services consolidated or amalgamated their operations prior to the introduction of the NQF. While DoE does not have exact data, the reason for this consolidation or amalgamation was stated as being due partly to the economic situation. A number of services combined operations after the commencement of the NQF. This has been attributed to efforts to reduce costs (service approval fees) and to assist with compliance, for example the responsible person requirements.

Anecdotal evidence suggests the NQF regulatory requirements have created opportunities for providers to achieve greater flexibility regarding the mix and number of children they care for in centre based settings; for example the regulations are less prescriptive about how 'child spaces' are managed across a child centre.

It is anticipated both the 2014 Review and the work being undertaken through the ACECQA/jurisdictional working groups will address issues of regulatory burden and support increased national consistency of practice.

## Options for regulatory reform

*How could the NQF and other regulations affecting ECEC be improved — both requirements and their implementation/enforcement — to be more effective and/or to reduce the compliance burden on ECEC services or workers and/or administration costs for governments?*

*Are there lower cost ways to achieve the regulatory objectives for ECEC?*

*Are there areas currently regulated that would be better left to sector self-regulatory codes of practice or accreditation schemes?*

## Child Care

As noted above, the 2014 Review will inform options for regulatory reform. Tasmania is working with other jurisdictions, ACECQA and the Australian Government in this process.

Any initiatives to lower costs must be cognisant of the duty of care owed to the vulnerable children.

The compliance history of some Tasmanian services does not support any move to reduce regulation, for example some providers have exhibited a tendency to prioritise cost efficiency ahead of child outcomes posing risks to child safety and wellbeing. DoE acts according to the principles of best practice regulation to support compliance by these services.



## 6 GOVERNMENT SUPPORT FOR CHILDCARE AND EARLY LEARNING

### Australian Government support

*Some general questions about government support:*

- *How does government support to families and childcare providers impact on accessibility, flexibility and affordability of childcare?*
- *Is the level of overall government support for ECEC appropriate?*

### Child Care

DoE does not collect this data. Anecdotally Commonwealth support in the areas of fee subsidies, operational funding for specific services types (eg FDC) and additional needs programs is perceived as important to enable affordable family access to care.

### Kindergarten

Tasmania is unique in delivering universal pre-school year (which is integrated into the government and non-government education systems. Kindergarten has been delivered through the education system for more than 40 years. Kindergarten in the government system is free.<sup>27</sup> School fees are payable in non-government schools.

Tasmania bears the costs for the statewide provision of the kindergarten infrastructure, staffing and programs (including delivery of the 10 hours) through the Schools Resource Package. This represents a significant investment in the early years by Tasmania. Under the NP on Universal Access<sup>28</sup> Commonwealth funding currently enables the delivery of five additional hours on top of the 10 hours funded by the State. Other than this no Commonwealth funding is paid in respect of for the kindergarten year in Tasmania

### Options for reform of childcare funding and support

*How could government support programs be reformed to better meet government objectives for ECEC?*

*Is there scope to rationalise and streamline the many types of funding provided by the Commonwealth or state/local governments?*

The responses to the *Tasmanian Women's Plan* consultations, and liaison with stakeholder groups, indicate in-principle support for any model of government support for child care that has a greater focus on allowing flexibility for individual circumstances. From these responses any measures to encourage private sector employers to provide childcare would also receive in-principle from the respondents.

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<sup>27</sup> A levy of up to \$190 per year is payable however this is waived for those on low incomes.

<sup>28</sup> Current NP expires in 2015.

While it is recognised that there is scope to reform child care funding, it would be important to ensure that the same level of commitment is made on an ongoing basis. For instance, the Tasmanian Neighbourhood Model Occasional Child Care Program was a 50:50 cost shared program between the State and the Commonwealth with the State administering the funds.

The Commonwealth withdrew from the program following the May 2010 with effect from July 2010. Tasmania was left with the issue of how to fund the services. Tasmania currently provides a contribution towards operational funding for a small number of occasional care services. Given the impact of the 2010 changes on the occasional care sector, it will be important that both their ongoing sustainability is assured and the community confidence is maintained.

Tasmania also provides a small funding program to enable the occasional care services to access resource libraries and a small funding program to assist educators with gaining qualifications. If any streamlining was to occur, it would also be important to ensure that the State retained the opportunity to provide funding to areas it identifies as particular priorities.

The State would welcome the opportunity to work collaboratively with Commonwealth funded programs (as it is doing with IPSP program in working with the Professional Support Co-ordinator).

The issue of ECEC sector pay and conditions cannot be ignored in any move to rationalise and streamline services. Anecdotal evidence suggests this issue is central to many of the challenges faced by ECEC services, in particular achieving a skilled, capable and stable workforce to support quality outcomes for children. How this is to be achieved while addressing issues of affordability and access is a clear challenge.