Katoomba Children’s Cottage: **Submission to the Productivity Commission Public Inquiry into Childcare and Early Childhood Learning**

About Katoomba Children’s Cottage:

Katoomba Children’s Cottage is a not-for-profit, community based long-day care centre licenced for 45 children per day, ranging in age from birth to five years. We are situated in Katoomba in the Blue Mountains.

Katoomba Children’s Cottage has been operating since 1982. We have 11 permanent members of staff, four of whom are early childhood teachers; two staff members hold Diploma qualifications and three members of staff have a Certificate III in Children’s Services. Two of the early childhood teachers hold Master degree level qualifications in early childhood. The other two members of staff are the office manager and cook. We also have many long-term casual relief staff. Six members of staff have more than 10 years’ employment with the Cottage, with three of these with more than 20 years of employment.

The Cottage was assessed as “Exceeding National Quality Standards” under the National Quality Framework in all seven areas of the Framework.

The Cottage has strong links to the local community, including as a founding member of the Blue Mountains Stronger Families Alliance which has developed a 10 year plan for children and families in the Blue Mountains. Access to quality early childhood environments is an important element of the Child and Family Plan. The Cottage is also a managing member of the Blue Mountains Consortium which delivers the NSW Government Brighter Futures early intervention child protection program in the Blue Mountains. Again, access to high quality early childhood care environments is a foundation of the Brighter Futures program.

In line with many high quality services, the Cottage has an extensive waiting list, and families may wait up to two years for care. Children often attend other local children’s services prior to a space becoming available at the Cottage, which suggests to us that families place considerable importance on accessing a high quality service for their children.

In making the comments provided below, we draw on the considerable expertise and practice wisdom gained through the provision of quality care in a parent managed service for more than thirty years. As a parent managed service, we are well aware of cost pressures for families, and have worked for many years to develop a service that provides balance between costs and quality, with quality the most important consideration in every budgetary situation.

**What we like about the Productivity Commission’s recommendations:**

We support the proposal of a deemed cost of care, provided this cost is based on elements relating to quality care, especially the wages of qualified staff. We would note that current fees at Katoomba Children’s Cottage, with the staff profile outlined above (4 early childhood Teachers, 2 Diploma workers and 3 Certificate III workers with 45 children) is **23% lower** than the amount suggested as appropriate in the draft report.

We support the recommendation that the Australian Government should continue to provide support for children who are assessed as “at risk”, with the added proviso that this include children in the first 13 weeks of an “out of home care” placement. This will facilitate the placement of such children in safe and consistent out of home care environments.

We support Draft Recommendation 12.8 – that the Australian Government provide support for children with a diagnosed disability up to 100% of the deemed cost of care.

We support Draft Recommendation 6.1 and suggest that any efforts to increase the provision of flexible work arrangements for all parents will be beneficial for families and children.

**What must be different:**

**Quality of care is the bottom line for families.**

Although cost is a consideration, families will wait long periods of time, and pay considerable amounts of money for the individual service that they determine is of the highest quality and appropriate to their child. This is demonstrated in many of the comments made to the Productivity Commission by parents. The provision of quality care is the decision making framework that should be applied to all regulatory and funding options considered in relation to the delivery of early childhood services.

**Education and care are inseparable.**

Many of the recommendations of the Productivity Commission are based on the assumption that education and care are two separate constructs. Children, especially young children, learn from every interaction in their day. They learn about their own importance, about being in relationship with others, and about the world. We strongly advocate for a definition that accepts care and education as a continuum. In order to understand the subtle and critical contexts within which learning takes place, staff members working with young children must have access to considerable training and a high level of understanding. In our experience, the failure to understand the inseparable nature of care and education leads to poor quality outcomes for children and families.

We suggest that considering the following definitions highlights that we need to consider children’s **learning**, rather than “education”. Education is defined “as the imparting and acquiring of knowledge through teaching and learning, especially at a school or similar institution” (Encarta Dictionary). Learning is “a situation in which you learn something about yourself, other people, or life in general” (Encarta Dictionary). Children are learning in every social interaction, in every routine situation within their day, and in every relationship they develop. Children cannot ‘be educated’ in an environment that is not caring for every aspect of their being.

**All programs must include highly qualified Early Childhood staff working directly with the children, at least at the current required ratios and number thresholds.**

The Productivity Commission recommends that “In at least the year before school, children are guided by an early childhood teacher; for those at risk or developmentally vulnerable, this may extend to several years before school age”. This statement reflects an understanding that the best quality program is provided by a specifically qualified early childhood teacher. The argument appears to be, therefore, not the best way to provide a quality program, but to whom this program should be provided. It is short sighted to suggest that only four year old or vulnerable children require a program guided by an early childhood teacher, when a sound early education can put in place skills and strategies to provide for strong and healthy development for every child throughout life.

**Quality must the baseline for all decisions made around early childhood programs**.

We agree that having nurturing, warm and attentive carers is a critical contributor to quality, and that quality in interactions is particularly critical for younger children. However, what is not considered in the draft report is how to ensure that carers have these qualities in abundance. We know that one of factor contributing to high quality interactions is the staff member’s level of training. We know that a depth of understanding of child development is important in ensuring that staff are responsive and nurturing in all their responses and interactions with children. An early childhood environment is inherently complex, with staff members working with all individuals within the group, as well as managing interactions between them, and ensuring that the children are supported and nurtured in the social environment. Our experience is not only do staff members have to know what to do, they must understand what is important, why these things are important, and to mediate their response depending on each individual child, while being open and reflective to considering what is going well, and what may need to be changed. We have determined that our teams work best when each team is led by an Early Childhood teacher, supported by staff with Diploma and Certificate III training. This gives each team the depth of knowledge and understanding required to meet daily challenges.

The other factors outlined are equally important, especially staff to child ratios, staff qualifications, the skills and ongoing training of staff, program planning and leadership, and the physical environment and facilities. In our experience, a high level of staff training and experience makes a critical contribution to the quality of the program. We believe that the quality demonstrated in our NQF rating is as a direct result of employing early childhood teachers for each group of children, including those aged from birth to three years, and our overall program leadership by post graduate qualified early childhood teachers. We have achieved this high level of staff training through the implementation of a long term staffing plan, and (with a current daily cost of $70 per day) without incurring high costs for families.

**We strongly oppose any recommendation to reduce qualification requirements for staff working with children aged under three years of age, or the number of early teachers required (Draft recommendation 7.2)**

Brain development research highlights the importance of children’s development prenatally and from birth. These are critical years in a child’s healthy development, and deserve programs that are planned and run by highly qualified staff.

**We oppose the removal of tax concessions for not-for-profit services.**

The Commission “is recommending the removal of fringe benefit tax concessions to not-for-profit ECEC services, as they afford these services an often substantial competitive advantage over commercial services....” The Cottage has no access to fringe benefit tax concessions. We are exempt from payment of GST, which does not constitute an advantage over profit making services, as they will claim the GST as an input cost for their business. Our breakeven fee saves families money, and also saves the Government money in reduced payments of Child Care Benefit, and Child Care Rebate. Any increase to our costs through the imposition of tax will be largely met through the payment of increased CCR to families.

**Comments from Cottage parents:**

The draft recommendations of the Productivity Commission were discussed at two recent Parent Management meetings. There was unanimous support for contributing the comments outlined above.

Staff members are particularly concerned about recommendations to reduce requirements for Early Childhood and Diploma trained staff with children aged under the age of three years. We believe that children in this age group must have staff working with them who hold more than entry level qualifications.

**Parents value staff training, they value specific and targeted early childhood teacher training, they value small group sizes and appropriate staffing levels, and they value leadership by highly qualified teachers.** These are the elements that parents consider determine quality, and these are the elements that parents consider critical to the provision of their service at Katoomba Children’s Cottage.

We are happy to expand on any of these comments in further detail if needed. We look forward to the inclusion of our careful responses to your inquiry in your final report and recommendations.

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Chairperson, Parent Management Committee

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