Productivity Commission Issues Paper

Early Childhood Development Workforce

Summary of the major issues related to Workforce Development:

Link to current research and evidence.
The need for comprehensive and up to date information about the ECEC workforce – Research is needed on the labour movements within the ECEC sector

Training

- Current Training Agenda – content – Does not reflect the latest evidence based practice e.g. EYLF (pedagogy). Does not include Business management and HR skill sets required to effectively operate a CC business.
- Quality of RTO's – how many have CC on their scope and are current in practice. Variations in the quality of training delivery, as with any variations in consistency of quality, undermine the overall system. Although frameworks are in pace to set standards and monitor and maintain these, variable standards of training delivery exist.
- Analyse course content against skills required.
- Employability skills – work readiness and demonstrating (consistently) the skills and knowledge required to do the job)
- The move towards integrated services will influence the skills sets required
- Leadership programs (quality) required
- University – required to undertake school practicum's within a Degree even if only wanting to work in CC – Could potentially lose educators after they have completed this Degree to the formal School setting – better wages and conditions
- Currency of training personnel
- Access and affordability of training – For all stakeholders (e.g. FDC)
- Cost of training does not reflect forward reward both financially and time components
- Government Initiative Funding models – goes directly to RTO's. Although a business model, does not promote quality of service.
- RCC – should not include foundation information e.g. child development – needs to be rigorous
- Competency based – Disengaged/disaffected students – easy pathway perceived
- Practicum's – No current need outside of current service – does not enable different perspectives both good and not so good to be viewed.
- Evidence from delivery of training through PSC supports the evidence of gaps within the current formal qualification training agenda.
- Specific skills sets for different roles within the ECEC – e.g. Inclusion Support Workers

Recruitment and Retention:

- Wages (one of the lowest paid occupations)
- Acute shortages – Employers potentially placed in position of employing a body to meet ratios rather than person who is right for the position – Any move needs to focus on employing the 'right' people.
- % of approved persons occupying a qualified position – This has been an ineffective initiative and led to a potential tick and flick qualification approach.
- Conditions – Long hours, high ratios, highly regulated – impacts on pedagogy, increase in behaviour challenges
- Poor image of the occupation

- Teachers not currently eligible for registration if working in CC
- Female dominant workforce – parental leave – Job security
- Generation Y – traditionally short term commitment to one employer
- Career pathways
- Access to relief educators
- The changing demography of ECEC workers – requires broader responsibilities, skills and knowledge to facilitate smooth responses to change, skills and attitudes to improve productivity, skills to improve responses to compliance requirements and skills to improve customer service.
- Increased demand for outside school hours care with increased participation rates of women in the workforce will continue to add to workforce shortages.
- Part-time nature of OSHC is a barrier to retention of educators

Integrated Services:
Refer to Professional Support Co-ordinators Integrated Services Report – this research is current and relevant.

Lady Gowrie Tasmania
PO Box 263
North Hobart 7002

www.gowrie-tas.com.au
info@gowrie-tas.com.au
03 62 306801

Australian Government

Productivity Commission

Early Childhood Development Workforce

Productivity Commission Issues Paper

November 2010

The Issues Paper

The Commission has released this issues paper to assist individuals and organisations to prepare submissions to the study. It contains and outlines:

- the scope of the study
- the Commission's procedures
- matters about which the Commission is seeking comment and information, and
- how to make a submission.

Key inquiry dates

Receipt of terms of reference	22 April 2010
Due date for submissions	31 January 2011*
Release of draft report	June 2011
Final report to Government	October 2011

*Submissions should reach the Commission by this date to enable due consideration in the draft report.

Submissions can be made

By email:	ecdworkforce@pc.gov.au
By facsimile:	03 9653 2305
By post:	Early Childhood Development Workforce Study Productivity Commission LB2 Collins Street East MELBOURNE VIC 8003

Contacts

Delwyn Lanning (administrative matters)	(+ 61) 03 9653 2182
Ben McLean (other matters)	(+ 61) 03 9653 2187
Freecall number for regional areas (Australia):	1800 020 083
Website:	**www.pc.gov.au**

The Productivity Commission

The Productivity Commission is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long term interest of the Australian community.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Further information on the Productivity Commission can be obtained from the Commission's website or by contacting the Media and Publications section on (+ 61) 03 9653 2244 or email: maps@pc.gov.au.

Contents

1 What is the study about?

The Productivity Commission has been asked by the Australian Government to study Australia's Early Childhood Development (ECD) workforce.

The Commission is required to consider and advise on the:

- current and future demand for the workforce, with particular regard to the skills required to meet society's needs

- current and future supply of the workforce, in terms of numbers, knowledge and skills

- workforce composition that most effectively and efficiently delivers desired outcomes

- appropriate directions and tools for workforce planning and development

- factors of notable significance for that particular workforce.

In addition, the Commission is asked to consider:

- whether current sectoral and jurisdictional boundaries limit innovation and flexibility in workforce planning, development and practices

- factors that impact on building Indigenous workforce capability.

The full terms of reference of this study (and related studies of the Vocational Education and Training and Schooling workforces) are in attachment A and the timetable for completion of the three studies is in attachment B. It is important to emphasise that the study is about the ECD *workforce*, rather than ECD policy more broadly. However, the Commission may also consider broader policy questions where they overlap with workforce considerations. The Commission is required to complete the ECD workforce study by October 2011.

The Commission's approach to this study

The Commission will follow its usual public and transparent consultative processes for this study, with a view to making recommendations aimed at increasing the wellbeing of the entire community. In this regard, the Commission will seek the views of all interested parties through initial discussions, submissions and roundtables. This issues paper sets out the main issues identified by the Commission and seeks your input on these and any other issues you wish to raise. (Details of how to make submissions can be found in attachment C.)

A draft report will be published in June 2011, setting out the Commission's preliminary conclusions and recommendations. You will have an opportunity to provide your views on the draft report by making further submissions. Additional roundtables may be held in July 2011 if required.

The Commission will draw on as much relevant evidence and data as feasible. It has been asked to comment on the availability and quality of data and, where appropriate, recommend improvements to data collections. Where possible, please provide supporting evidence and data in your submission. This can range from data that are representative of an entire sector or population, to data pertaining to a particular group, institution or point in time.

The remainder of this paper addresses major elements of the terms of reference. For ease of discussion, each element is addressed in a separate section, even though it may have close links with others. You do not have to answer all the questions posed in each section, or be limited by them, in your submission.

2   Early childhood development

Early childhood development (ECD) is commonly understood to involve the physical, cognitive, language, social and emotional development of children aged from birth until about eight years of age (UNESCO nd). Given that the Commission is to do a separate study of the schooling workforce, this ECD workforce study generally restricts its scope to those working with children before formal schooling starts (but will include outside school hours care for reasons discussed below).

Scope of the ECD sector

The ECD sector, broadly defined, delivers services that aim to foster the health, education and care of young children. These services include:

- early childhood education and care (ECEC) services
- child health services
- family support services (figure 1).

The ECEC sector delivers childcare and education services. Given established practices in Australia, for the purpose of this study, child care is taken to mean all forms of formal childcare services *including* outside school hours care delivered to children up to 12 years of age.

Figure 1   **Schematic representation of the ECD sector**

```
┌─────────────────────────────────────────────────────────────┐
│            Early Childhood Development (ECD) sector           │
└─────────────────────────────────────────────────────────────┘
         │                    │                    │
┌──────────────────┐  ┌──────────────┐  ┌──────────────────┐
│ Early childhood  │  │ Child health │  │ Family support   │
│ education and    │  │ services     │--│ services         │
│ care             │  │              │  │                  │
└──────────────────┘  └──────────────┘  └──────────────────┘
         │
┌──────────────┐      ┌──────────────────┐
│              │      │ Early childhood  │
│  Childcare   │- - - │ education        │
│              │      │ (preschools)     │
└──────────────┘      └──────────────────┘
┌─────────────────────────────────────────────────────────────┐
│ Integrated services: coordinated interdisciplinary provision │
│ of ECD services                                              │
└─────────────────────────────────────────────────────────────┘
```
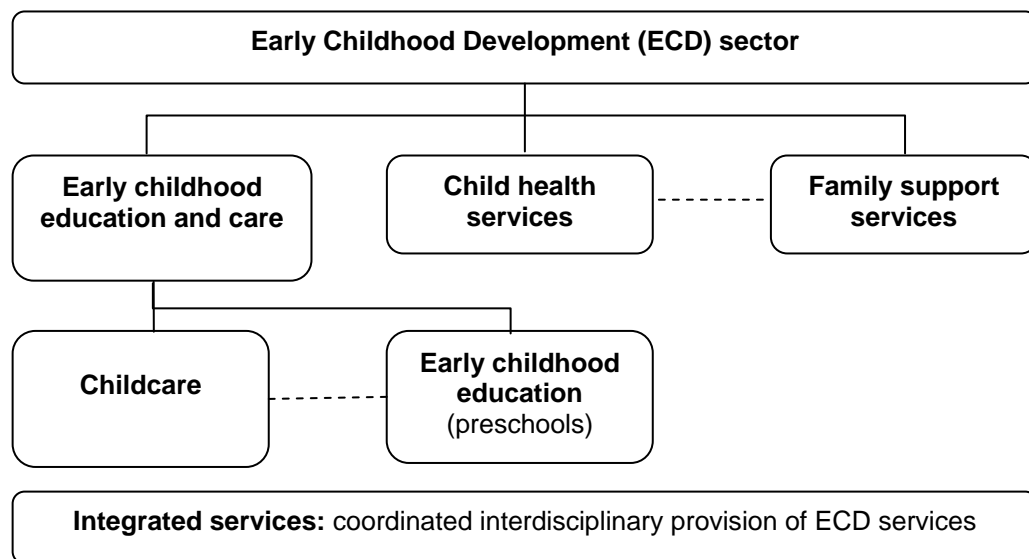
Formal childcare includes all childcare services that require government licensing, registration, accreditation or control. Examples include long day care and family day care. Of the approximately 1.7 million Australian children under the age of six years in 2009, around 40 per cent (or 680 000) accessed some form of formal childcare service in a given week (ABS 2010, SCRGSP 2010).

The informal childcare sector includes care provided by persons other than the main care giver, including grandparents, relatives and friends. While the informal childcare sector is not the subject of this study, its influence on the formal sector will be examined.

The Commission proposes to include in early childhood education the year *before* formal schooling but not later years. This includes preschools in New South Wales, the Northern Territory and the ACT, and kindergartens in Victoria, Queensland, Western Australia, South Australia and Tasmania. Around 70 per cent of children attend a form of preschool education in the year before they commence full time school (SCRGSP 2010).

Whilst later years of early education (such as Years 0, 1 and 2 of formal schooling[1]) are not explicitly the subject of this study, they will be examined where they:

- influence the outcomes of other parts of the ECEC sector (for instance, mobility of staff between school and preschool settings, or transition pathways for children that may have policy relevance)

- are part of an integrated ECD service such as the ACT's Early Childhood Schools.

A number of different terms are used around Australia to refer to health services for young children. The Commission proposes to refer to such services collectively as child health services.

The child health sector provides a number of services to improve the health of mother and child, including support, information and advice on child health and development, nutrition, breastfeeding, child safety, behaviour, maternal health and wellbeing, and family planning (DEECD 2009). Given the focus of this study, the Commission will not be considering the workforce involved in providing antenatal health services. The relevant occupations (such as obstetricians, general practitioners and midwives) are best covered in a separate study that focuses on the health workforce, such as that previously undertaken by the Commission (PC 2005).

The family support sector includes allied health professionals, early educators, social workers and other professionals who provide early intervention and prevention services to help children and their families. These services are diverse, and include providing therapy and mediation, residential and in-home support, advice and referral, education and skills development, counselling, advocacy and other services (AIHW 2001; ABS 2009). They include services provided through the Brighter Futures program in NSW, the Best Start initiative in Victoria and the Australian Government's Family Support Program.

While most childcare services are provided by the private sector, many other ECD services are provided by state, territory and local governments as well as the not-for-profit sector. They can be provided as universal programs (available to all members of the community), targeted programs (available to some members of the community who have a higher need or risk than the general population), and intensive programs (available to children and families in highly stressful situations, where mainstream services do not meet their needs). The Commission proposes to

---

[1] The Year 0 schooling year includes the kindergarten year in New South Wales and the ACT, the preparatory (prep) year in Victoria, Queensland and Tasmania, the pre-primary year in Western Australia, the reception year in South Australia and the transition year in the Northern Territory.

include universal, targeted and intensive ECD services within the scope of the study.

Given the terms of reference, is the suggested scope of the ECD workforce appropriate for the purposes of this study? *The term Early Childhood is not inclusive of the intended Scope. Although it mentions that this includes OSHC delivered to children up to 12 years of age, the terminology could be a potential barrier to being inclusive of all formal child care services e.g. Birth to age 12.*

There are children who exhibit developmental delay, speech and language disorders, disabilities, communication or social difficulties (SCRGSP 2010). **Mainstream services often do not appropriately address the developmental needs of many of these children.** There are also children from Indigenous or culturally and linguistically diverse (CALD) backgrounds, or children who are living in regional, rural or remote areas, who find it difficult to access mainstream services (SCRGSP 2010). More targeted services may need to be provided to these groups.

Which ECD services for children with additional needs should the Commission include in this study?. *To state that mainstream services often do not appropriately address the needs of these children is an assumption and generalist statement. Although this statement is upsetting, a barrier to mainstream services addressing the developmental needs of many of these children is the experience and qualifications of the workforce, the lack of understanding about child development. Skills sets are specific in this area and the current delivery modes and content have not supported improvement in this area.*

A number of jurisdictions have established or are funding the integration or co-location of ECD services. For example, the Australian Government Department of Education, Employment and Workplace Relations (DEEWR) funds Community and Family Centres (centres that provide a wide range of ECD services). In addition, the ACT Government created a number of early childhood schools that provide both ECEC services and formal schooling; children attend these schools from birth up to the second year of formal schooling. Multifunctional Aboriginal Children's Services (MACS) also provide integrated services in Indigenous communities.

What are some other examples of integrated and co-located services? What are the benefits and limitations of integrating and co-locating ECD services?
There is an assumption that co-location is integration. There are child care services on school sites but with little integration. Credibility and professionalism of the child care workforce increases this barrier together with all stakeholders being respected and

included in decision making processes. Co-location is of benefit for families e.g. one stop drop off. Many schools view co-located services as a marketing strategy to increase enrolments.   Furthermore, they view child care as an income stream – charging rent for use of venues – increases the budget income.

3　The early childhood development workforce

As different ECD services are designed to meet different needs, they also have different workforce requirements.

Early childhood education and care workforce

Childcare workforce

The childcare workforce operates in a number of formal childcare settings (box 1). The boundaries between various services have become blurred over time — for example, many long day care centres now also provide preschool programs.

This is not the case in Tasmania with only a very small number (2) with Kindergartens in long day care setting.

<div style="border: 1px solid black; padding: 10px;">

Box 1   **Formal childcare settings**

Formal childcare settings in Australia have traditionally been classified as:

- *Long day care* — whole or part day care provided to children from birth until the start of formal schooling. Centres typically operate between 7.30 am and 6.00 pm on normal working days for a minimum of 48 weeks per year.

- *Family day care* — care provided by a professional carer in the carer's home for other people's children. *The terminology needs to be **educator** in line with the National Quality Framework.*

- *In-home care* — provided within the child's home by a professional carer, often to children with additional needs. *Again an assumption – in Tasmania this is not the case.*

- *Occasional care* — a childcare service that provides care for young children on an hourly or sessional basis.

- *Outside school hours care* — provided to children for periods before and after school, and during vacations. Most commonly used by children during their primary school years.

- *Other childcare services* — government-funded services to support children with additional needs or in particular circumstances, such as those in remote areas.

Source: Adapted from SCRGSP (2010).

</div>

Most childcare is provided to children before they begin formal schooling, but services also cater for older children. This includes, most notably, outside school hours care and care for children with additional needs. The Commission considers this workforce to be within the scope of this study.

There were approximately 72 200 persons (in full-time equivalent terms) working in childcare services in 2008-09 and a further 15 200 approved family day carers (SCRGSP 2010). This figure under-estimates the size of the workforce, because the estimate only includes those workers who are employed in approved services — services that are accredited to receive the Child Care Benefit. Many of the services in the occasional care sector are not approved to receive the Child Care Benefit. *Given the casual and transient nature of OSHC workforce, the data for this sector would be problematic to determine.*

The occupations of the childcare workforce can be broadly classified as:

- Directors/*Managers*

- preschool teachers

- qualified contact workers

- unqualified contact workers

- other workers, including cooks, volunteers and committee members (CSMAC 2006).

Qualified contact workers are those who hold the minimum qualification required for their position (which is either a diploma *within LDC* or a certificate in children's services *within FDC*, depending on the role).

Preschool workforce

There were approximately 11 000 persons employed (on a full-time equivalent basis) in preschool programs that were either provided or funded by state and territory governments in 2008-09 (SCRGSP 2010).

The occupations of the workforce in preschools can be broadly classified as:

- managers
- preschool teachers
- teachers' aides (or assistants)
- other staff (CSMAC 2006).

Preschool teachers are required to hold a three- or four-year early childhood education degree, while teachers' aides are generally unqualified.

Tasmania – 4 year to be eligible for Teacher's Registration unless grandfathered. But TR does not currently apply to teachers working in a child care setting.

Does this list provide comprehensive coverage of formal childcare settings? Is this an adequate representation of the broad roles and responsibilities of childcare and preschool workers? What characteristics describe the childcare and preschool workforces — in terms of demographics, wages and salaries, working conditions, employment status, staff turnover, unfilled vacancies, and job satisfaction?

Pre-school within the Tasmanian context – Kindergartens – Wages and conditions of Kinder teachers greatly outweigh the wages and conditions of teachers working within the child care sector. It is therefore difficult to retain teachers within the child care environment. Given the NQF, this is a major issue – attraction and retention. Status of teachers working in schools is much higher than those working in child care even though longer contract hours, greater number of working weeks etc.

Child health and family support workforces

The health workforce is largely out of scope for the purposes of this study, but child health nurses are included. Many allied health professionals are involved in health, early intervention and family support programs.

The family support workforce covers a variety of occupations (DEECD 2009). The workforce includes social workers, counsellors, psychologists and allied health professionals. Workers tend to have a diploma or higher qualification or at least three years of relevant experience. Registration or licensing is required in some jurisdictions for particular occupations. In some cases, family support services are provided by volunteers or by workers with few or no qualifications.

What characteristics describe the child health and family support workforces — in terms of demographics, wages and salaries, working conditions, employment status, staff turnover, unfilled vacancies, and job satisfaction?

Workforce for children with additional needs

Many children require the support of a range of other professionals, some of whom are also found outside the ECD sector. Such professionals may include occupational therapists, physiotherapists, speech pathologists, special education teachers, vision and hearing specialists, and early childhood intervention workers.

What characteristics describe the workforce that provides services to children with additional needs — in terms of demographics, wages and salaries, working conditions, employment status, staff turnover, unfilled vacancies, and job satisfaction

Inclusion of children with additional needs within child care faces many barriers including knowledge and skills of workforce, definition of inclusive practice, and family and allied health professionals expectations of child care educators eg. Not 1:1 and not therapists etc.

Data describing the ECD workforce

A major task for this study is to build a picture of the number of people in the ECD workforce, their qualifications, and the service settings in which they work. For some workforces, such as childcare and preschools, there is a wealth of data. For others, such as child health and family support services, there are no nationally consistent data collections.

What data collections provide information on the ECD sector and its workforce? How might these data collections be improved?

Safety Screen Applications could provide an indication but is not effective when people come and go within the sector. Licensed services – database of employees, again only current if the regulatory authority (in Tasmanian the Dept of Education Child Care Unit) is advised of people leaving and/or recruited. It states that there is a wealth of information for the child care and pre-schools but this data is extremely difficult to access, one potential reason is accuracy of current data with people being recruited and resigning from positions. A transient workforce!

4 Institutional arrangements and COAG reforms

The Commission has been asked to provide advice on policy, governance and regulatory arrangements in the ECD sector, with a view to maximising the efficiency and effectiveness of the ECD workforce. It is these arrangements that dictate who employs ECD workers, how the services they provide are paid for and, ultimately, how well the ECD sector works.

Governments' current role in the ECD sector

Australian Government

In broad terms, the Australian Government subsidises eligible families to access child care services (through such measures as the Child Care Benefit (CCB), the Child Care Rebate (CCR) and the Jobs, Education and Training (JET) child care fee assistance program). Through the Inclusion and Professional Support Program, it provides funding and support for children with additional needs as well as information, support and training to service providers (DEEWR 2009). The Australian Government also provides other support to some providers, including operational and capital funding. Finally, it funds the National Childcare Accreditation Council to administer an accreditation system for child care services.

Other Australian Government policies, particularly tax policies, also support the operation of certain ECD services. For example, council-owned ECD services are not typically required to pay income tax, and the Australian Taxation Office endorsed non-profit child care centres are able to access Goods and Services Tax (GST) concessions.

CCR paid directly to the families, therefore leaving services vulnerable as they may have a debt with the service but still receive the CCR. The CCR payment is no guarantee that this actually is committed to paying the child care fees.

State and territory governments

While there can be considerable variation between jurisdictions, state and territory governments typically play a role in:

- funding or providing preschool services, or both
- setting and enforcing standards, and the licensing and monitoring of both government and non-government ECD services
- directly providing child health, family support and some childcare services
- funding selected ECD providers, such as non-government community-based ECEC and family support services
- providing and subsidising the education and training of the ECD workforce.

State and territory licensing and regulatory provisions for ECD services are potentially wide-ranging, and can include: the facility requirements of ECD providers (for example, size of buildings and space available for outdoor play); child safety and occupational health and safety requirements; staff qualification standards; staff-to-child ratios; operational requirements (including programs for children); and a variety of other administrative and reporting requirements (including both reporting to parents and to external bodies) (SCRGSP 2010).

Local governments

Local governments plan, fund and deliver children's services, and often directly employ ECD workers. For example, in Victoria many local councils provide preschool services to 3- and 4-year olds, family day care, playgroup, occasional care, long day care, and maternal and child health services (DHS 2007). In some jurisdictions, non-profit ECD services are eligible for concessional rent of council buildings and receive discounts on council rates.

How do the differing roles and policies of governments affect the planning and provision of the ECD workforce?

Are there examples of jurisdictions or councils with effective policies and programs that could be usefully transferred and applied in other areas of Australia?

COAG agreements and frameworks affecting ECD

COAG's *National Early Childhood Development Strategy* aims to deliver a number of policy outcomes (COAG 2009a) (box 2). Pursuit of these outcomes will have a significant effect on the provision of ECD services and, by extension, the size and composition of the ECD workforce.

National Quality Framework for Early Childhood Education and School Age Care

The National Quality Framework for Early Childhood Education and School Age Care (the NQF) will, from 1 January 2012, introduce compulsory national standards for early childhood education and care across Australia (DEEWR 2010c). The NQF will apply to long day care, family day care, outside school hours care and preschool services.

The NQF will involve:

- introducing a new National Quality Standard (COAG 2009c), which itself includes:

  – learning frameworks (*Being, Belonging, Becoming* — the National Early Years Learning Framework, and *My Time, Our Place* — the National School Age Care Framework)

  – higher staff-to-child ratios

  – higher qualification requirements for ECD staff

- replacing existing separate licensing, accreditation and quality assurance processes with streamlined national regulatory arrangements

- creating a new national body to guide the implementation and management of the NQF

- introducing a more transparent quality ratings system, to give families more information about the quality of services.

Box 2   **Council of Australian Governments' outcomes**

The *National Early Childhood Development Strategy* identifies seven outcomes that require governmental support in order to be achieved. The outcomes fall into two groups. The first group focuses on the child and broadly describes a young child's developmental pathway, beginning in the antenatal period:

- children are born and remain healthy

- children's environments are nurturing, culturally appropriate and safe

- children have the knowledge and skills for life and learning

- children benefit from better social inclusion and reduced disadvantage, especially Indigenous children

- children are engaged in and benefiting from educational opportunities.

The second group recognises the primary importance of the family. The strategy seeks outcomes for families related to parenting relationships and workforce participation that underpin the five earlier outcomes:

- families are confident and have the capabilities to support their children's development

- quality early childhood development services that support the workforce participation choices of families.

Source: COAG (2009b)

Other National Partnership Agreements and initiatives

Other important national reform initiatives that seek to improve early childhood outcomes include:

- a National Partnership Agreement on Early Childhood Education, which seeks to provide access to 15 hours per week of preschool education for all children in the year before they commence formal school by 2013

- a National Partnership Agreement on Indigenous Early Childhood Development, which will see the establishment of 35 new Children and Family Centres and increase access to child health and family support services for Indigenous children and families

- a National Partnership Agreement on Preventive Health, with a focus on strategies to prevent chronic diseases that commence in early childhood

- national workforce initiatives to improve the quality and supply of the early childhood education and care workforce

- the Closing the Gap initiative, which includes ambitious targets for Indigenous children related to infant mortality, literacy and numeracy, and participation in quality early childhood education

- *Closing the Gap initiatives are from school-aged. Tasmanian strategy does not mention child care*

- a National Family Support Program, which brings together eight Commonwealth programs for children, families and parenting

- development of an Early Intervention and Prevention Framework under the National Disability Agreement.

Are there other significant policies governing the ECEC, child health and family support sectors and their workforces that the Commission should be aware of?

5 Demand for ECD workers

The demand for ECD workers is closely linked to the demand for ECD services. The aggregate demand for ECD services is in turn a function of the number of children in the community, the needs of children, the preferences and resources of families, and the prices of ECD services (with prices being strongly influenced by government policies and payments). These factors often intersect and overlap.

Demand for early childhood education and care workers

Child development

Many parents send their children to an ECEC service to promote their children's development. About 60 per cent of parents who use formal childcare for their non-school-age child report that they choose to do so because it is beneficial for their child (ABS 2008). Yet there are many families that do not use either formal or informal childcare — that is, the children in those families remain in the care of their primary care giver.

What are some of the child development reasons families choose to use, or not use, different ECEC services? How is this changing over time?

Large percentage of access is for working and/or studying families. Given the changes in society, e.g. increase in single parent families, economic situation – requires more dual parent working families. The extended family is diminishing with grandparents working

longer or not in close proximity, therefore not available for informal care. The village that raises the child is no longer in existence!

Labour force participation

Australia's labour force participation has increased considerably over recent years, driven mainly by a large increase in female participation (Abhayaratna and Lattimore 2006). This has had profound effects on the childcare sector, as parents' decisions to participate in the labour force are a major factor influencing the demand for childcare (Doiron and Kalb 2005). Indeed, 75 per cent of parents who put their non-school-age children into formal childcare report that they do so because of work-related reasons (ABS 2008).

The decision to enter the workforce may depend, among other factors, upon the availability of affordable childcare. This is particularly so for mothers and for single parents. The affordability of childcare is highly contingent on the costs of the care options parents have available — net of any subsidies — relative to the net income they gain from working.

The availability of informal care may also influence the demand for formal care, because formal and informal childcare arrangements are, to some extent, substitutable. Parents have different preferences between informal and formal care, and between different types of formal and informal care. However, their eventual choice will reflect a number of factors such as availability of care, the relative cost, and the perceived quality of the different types of care. While there has generally been a trend towards formal services, many parents continue to use a combination of formal and informal care arrangements at various stages of a child's life.

To what extent is female labour force participation influenced by the availability of formal childcare? How might the demand for ECEC services be affected by changes to female labour force participation?

There is another aspect to this as child care profession is predominately female, therefore creating retention issues within the system. The current maternity leave provision (1ˢᵗ January 2011) may influence the need for infant care, but given the economic situation, females need to return to the workforce to contribute to the family budget. This organisation (Lady Gowrie Tasmania) has had paid maternity leave for their employees for 5 years – our data indicates that child care educators who take maternity leave are reluctant return to work employees as they are torn and compromised when providing care for other children when their own child is in the care of another.

To what extent does the relative cost of ECEC services determine the demand for those services?

Cost is a direct influence but some families may have no other choice, although if cost is high, this could lead to backyard forms of informal care. What cost does society today place on High Quality Early Education and Care programs for the future generation? With family backup care diminishing due to ageing society rendering grandparents unable to care for grandchildren some families have no choice and must pay the going rate. With the cost of care increasing there are reports of some families 'sharing a nanny' which is cost effective, reduces the need for children to be removed from their environment, being in large groups and if unwell families do not have the issues of time off work to care for unwell children.

Demand for child health workers

Governments' predominant role in funding and delivering child health services means that, to a large extent, governments also determine the demand for child health workers. Changes in government policy will thus have a large impact on the demand for, and the skills required of, child health workers. For instance, an increased focus on preventative health, such as that outlined by the Australian Government in its response to the report of the National Preventative Health Taskforce (Australian Government 2010), will increase demand for child health nurses and other workers capable of providing support to breastfeeding mothers.

What factors affect the demand for, and the skills required of, the child health workforce?

Demand for family support workers

While demand for family support services will depend on the number of families in need, governments' predominant role in funding and delivering child health services means that governments also determine the demand for family support services. State and territory governments may be involved in both their funding and delivery, and the Australian and state and territory governments often fund local government and non-government organisations to deliver services. Other bodies may also deliver family support services without government assistance (AIHW 1997). Changes in government policy will therefore have a large impact on the demand for, and the skills required of, family support services workers.

What factors affect the demand for, and the skills required of, the family support workforce?

Future demand for ECD workers

Australian governments' commitments to provide universal access to preschool, and to improve the quality of childcare, are likely to have significant implications in terms of increased demand for more qualified ECD workers.

Many workers may also be required to upgrade their qualifications to meet the new standards. This will potentially increase the cost of ECD services, as the more **highly qualified workers will need to be rewarded for their increased qualifications and skills**.

The cost of care will increase with the new standards. But it does not necessarily equate to improved outcomes for children if the training agenda is not improved Increasing the qualification does not necessarily equate to more highly skilled workforce as we are already witnessing due to the reduction of high quality training and development in tertiary institutions and universities.

To the extent that employing more qualified staff increases costs to families, this could reduce the demand for ECD services and workers as consumers of childcare substitute informal for formal forms of care.

How might the proposed qualification standards, staffing levels, and the implied mix of skills and knowledge assist the delivery of the desired outcomes for children?

Training Agenda requires a reform. Training for skills sets and work readiness by teachers with current experience and an up to date knowledge of the sector. Children have a right to quality early education and care and if the training is rigorous and specific to the required skills and knowledge then positive outcomes for young children will increase.

What effect will the new standards and targets have on demand for ECD workers?

Although the new standards are a must, this will place an increasing demand for but also on early childhood workers. The ability to work within an Education Framework for educators already struggling to articulate what they are doing and why will place the services at risk, both on a professional level (e.g. credibility for ECD Workers) and Quality. For little remuneration compared to expectations, it is perceived more ECD Workers will be lost from the sector. To implement the new standards and indeed reform agenda as a whole the sector needs a sophisticated and well qualified workforce.

What options are available for funding the increased wages and salaries of more highly qualified ECD workers?

*Little options currently available given CC services are funding through family fees.
Requires Government Funding initiatives and/or increase in family fees.*

A range of demographic and social factors are likely to affect demand for ECD workers in coming years. Recent increases in fertility rates will increase the number of children in the community, and thus demand for ECD services. Changing family structures could also increase demand, notably for childcare services, as some family types are more likely than others to use such services (ABS 2008).

The ageing of the population may also affect demand for, and the relative price of, ECD services. As more workers retire, there may be more family members available to provide informal care, generally at low or no cost. Fewer workers will be available to provide services in the formal sector, potentially increasing cost and decreasing demand for those services.

Policy changes outside of the ECD sector may also affect demand for ECD workers. For instance, the introduction of paid parental leave may encourage parents to take more time off work following the birth of a child, reducing the demand for childcare services. But it could also encourage more parents to remain in the workforce, increasing the demand for childcare.

How will increased fertility rates, changing family structures, the introduction of paid parental leave and other demographic, social and policy factors affect the demand for ECD services and ECD workers?

As mentioned previously. Although there is paid parental leave, there is also the situation of females leaving the workforce for extended periods only to find themselves behind in relation to career advancements and also advancements in technologies and/or information related to their role.

6 Supply of ECD workers

The supply of ECD workers depends on the attractiveness of employment in the ECD sector, relative to other sectors of the economy, for workers with, or who are prepared to acquire, the appropriate skills and qualifications.

Some commentators suggest that employment in parts of the ECD sector is relatively unattractive, with widespread concern being expressed about an inability to attract and retain workers at existing wage levels (CSDMAC 2009; Senate 2009). This is often described as a labour shortage. These problems affect many ECD occupations, most notably preschool teachers and child health nurses (DEEWR 2010b). These issues appear to be particularly pronounced in regional,

rural and remote areas, although the causes and extent of these problems may vary between regions.

Do providers of ECD services have difficulties finding staff? If so, are these problems more pronounced in some ECD occupations or in some areas of Australia? Why is thisthe case?

Definitely CC. Although there appears to be initiatives coming into play such as unengaged and disaffected youth are diverted in CC studies – this cannot happen. The sector needs highly skilled and dedicated educators – We are talking about the education and care of children not manufacturing or trade!

How much of the shortage is caused by low wages or wage differentials? Are there other factors (such as working hours or conditions) that are important in attracting staff to the sector?

Low wages compared to qualification impact, but also a huge factor is the conditions and professionalism of the sector. Still seen as babysitting by many including parents. Learning commences at school mentality!.

Working hours and conditions much lower than teachers in formal school settings. Many dedicated and committed EC educators work after hours either on curriculum development or resource gathering for the programs. Changes in the family structure, parenting skills is also impacting on the working conditions with many children experiencing stress and behavioural challenges which places extra pressure on educators trying to facilitate quality programs.

Staff retention and turnover

Stability in early childhood education and care has been associated with positive child outcomes (COAG 2009d). There is therefore concern that staff turnover rates in some ECEC facilities are too high, with some annual turnover rates approaching 50 per cent (LHMU 2008; CSMAC 2006). High reported staff vacancy rates suggest that staff retention may also be an issue for child health and family support services, although the effect that staff turnover in these services may have on child health outcomes is not clear.

Careful recruitment and skill development are being used by some childcare centres to reduce staff turnover (Bretherton 2010). However, it is not clear whether such strategies can be replicated throughout the sector — other ways of encouraging staff retention may be required.

To what extent are ECEC, child health and family support services experiencing staff retention issues?

It is important that research is undertaken to determine the level of staff retention within the sector, so as effective and concise strategies can be implemented. Within Lady Gowrie Tasmania, a commitment to improved wages and conditions plus the career pathways and support mechanisms and commitment to professional development has resulted in retention and recruitment being less of an issue than other providers.

Are there examples of effective staff retention strategies in the ECD sector? How might such strategies be replicated throughout Australia?

Pay and conditions

Some commentators argue that workforce shortages are the result of the relatively unattractive wages offered to workers in the ECD sector. For instance, teachers working in schools in some jurisdictions have significantly higher salaries, longer holidays, and more time for preparation than their preschool counterparts (Evesson et al. 2009). As many teachers are qualified to teach in both primary schools and preschools, such differences in pay and conditions may explain why vacancies for preschool teachers are more widespread than vacancies for primary-school teachers (DEEWR 2010b).

Similarly, childcare workers without formal qualifications earn less than they would if they cared for the aged or disabled (DEEWR 2010b). The observed high turnover among childcare workers (CSMAC 2006) may reflect their emigration from the low skill–low pay environment of the childcare sector to take up better-paid jobs in other industries (Bretherton 2010; Evesson et al. 2009).

There can also be considerable variation in wages and conditions within the ECD sector, with teachers working in childcare centres being paid less than teachers working in preschools, despite having the same qualifications (Watson 2006).

In addition to wages and salaries, the attractiveness of employment in the ECD sector may depend on other elements associated with employment, such as professional development opportunities, work–life balance, access to leave, and career pathways. The weight attached to each factor by potential ECD workers is likely to vary in light of their personal circumstances and alternative employment options.

What are the key factors influencing an individual's decision to work in the ECD sector? Commitment to young children and the sector. Or for some teacher qualified unable to get a position in the school sector – this is significant in Tasmania. Do these vary for different ECD occupations?

Why are ECD workers paid less than those working in related sectors? Are the wages and salaries for workers in different ECD occupations appropriate, given the skills and qualifications required? If not, how might this best be addressed?

Given international and Australia driving towards integrated services, wages and conditions must be reviewed to ensure equity amongst stakeholders and allied professionals.

Regulatory burden

Paperwork and 'red tape' are reported to be a significant source of job dissatisfaction and stress for early childhood professionals (Fenech et al. 2008). The extent of the regulatory burden within the sector may prove to be a disincentive for new entrants to the industry, or could encourage existing workers to leave the industry. Changes to the regulatory and accreditation regimes are intended to reduce the regulatory burden on ECD workers by removing duplication and overlap and providing a single level of reporting (COAG 2009d).

Does the regulatory burden have a significant impact on attracting or retaining staff in the ECD sector? Do you expect recently announced reforms to make a material difference to the regulatory burden facing ECD workers? What more could be done to reduce the regulatory burden?

Training agenda again. Knowledgeable and skilled educators are required to be able to work effectively within the reforms especially around pedagogy. Current examples of pilot programs for national quality framework give the impression that the regulatory burden has increased rather than decreased. ED Workers need to be focused on the things that matter as opposed to red tape and repetitive documentation – interactions and development of relationships to support development of a quality curriculum

Qualifications and career pathways

Getting started in the ECD workforce

The qualifications required for entry into the ECD workforce vary widely, reflecting the range of different occupations in the sector. Many occupations require tertiary

qualifications at the diploma or degree level. For instance, childcare centre managers generally hold a diploma in children's services, and preschool teachers must have a degree in education. Child health nursing has particularly high entry requirements — at a minimum, entrants must have a degree in nursing or midwifery, a postgraduate qualification in child health, and professional experience as a nurse or midwife. In contrast, no formal childcare qualifications are currently required for employment as a childcare or preschool assistant (although assistants will be required to hold or be working towards a Certificate III qualification from January 2014)(COAG 2009c).

There are a variety of views about the appropriate qualifications for teachers of young children. Some have suggested that ECEC services for children below school age should only be provided by workers with degree qualifications tailored to meet the specific needs of that age group. Alternatively, others suggest a teaching qualification designed to meet the needs of children of a broader age range (such as from birth to Year 2, or birth to the end of primary school), as this allows a greater range of career options for teachers with these qualifications.

Some commentators suggest that the training and resultant skills of newly qualified ECD workers could be improved. For instance, certificate-level courses may provide only limited exposure to different ECEC workplace settings, meaning that graduates may not necessarily have had adequate work experience (Bretherton 2010).

Entry to many ECD occupations is conditional on holding university or Vocational Education and Training (VET) qualifications. These requirements may differ between states and territories. Although governments have recently waived course fees for some ECD qualifications, the cost of study may still be a barrier for disadvantaged students. Likewise, courses may not always be provided in locations and formats that are accessible to all potential workforce entrants, particularly those in regional, rural and remote areas.

How appropriate are the qualifications required for entry into various ECD occupations? Do differences in qualification requirements restrict workers' ability to move between jurisdictions or ECD sectors?

Current qualifications have many skills gaps depending on the focus of the educator. There is little management, business and/or HR skills sets within the current qualifications. With the current workforce shortage and issues within staffing a service, leaders will be required to have high level HR and Business management skills etc. Etc.

Do newly-qualified ECD workers have the necessary skills and attributes to be effective in the workplace? Noooooooooooooo!!!!!!!! Too many gaps in knowledge

and insufficient practical placements to support skill development.   Many need to be retrained by employer as many RTO's have a tick and flick mentality!!

To what extent are qualification requirements a barrier to entering the ECD sector? How could any such barriers be overcome?

Recognition of current competencies in child care needs to be revised to ensure foundation information cannot be undertaken through RCC. Such understanding of theories of development and current research as to how children learn and development must be imbedded in knowledge to support practice.

Do people from Indigenous and CALD backgrounds face particular barriers to obtaining entry-level ECD qualifications?

Career pathways and professional development

Many workers, particularly ECEC workers, obtain or upgrade their ECD qualifications after they have commenced work in the sector. However, initial consultations suggest that many workers may not consider the time and cost of further training to be worthwhile, as any compensatory wage increases are too small (CSMAC 2006).

There can be considerable barriers for many ECD workers in accessing training, including the cost of training courses and competing family and personal responsibilities. Travel time and distance from training providers can also be a barrier to accessing training, particularly for staff in regional, rural and remote areas.

While some employers place a great deal of importance on training and professional development, others may be reluctant to support staff in undertaking training. This reluctance can arise due to the difficulty in finding replacement workers to 'backfill' positions, or because career pathways for more highly-qualified staff can mean that, once qualified, staff move to new employers or to other settings of care.

Are workers who obtain additional skills and qualifications sufficiently rewarded? Generally No. Is expertise sufficiently recognised and valued?Generally No. How could opportunities for career progression within the ECD sector be enhanced? Education and Care under one banner, therefore creating opportunities for career pathways.

Are in-service training and professional development programs meeting workforce development needs? Are there barriers to ECD staff accessing training and development programs? If so, how could such barriers be overcome? Budget of

services to release and pay educators to attend. More often there is not a professional development line in the budget. Th availability of relief educators adds to this.

Mandatory professional learning – first aid, mandatory reporting, OH&S use all the training budget and nothing left for pedagoical pd.

Professional status of the ECD workforce

A perception that many ECD occupations have a low professional status is considered to be a key factor in limiting the attractiveness of working in the ECD sector (Watson 2006). It has therefore been suggested that the status of ECD occupations, and the status of childcare workers in particular, should be raised (Senate 2009).

Do you consider professional status to be an issue for the ECD workforce? Yes What factors determine professional status in the sector? Qualifications (rigorous and robust) and attributes. How might a change in status be achieved?Wages, conditions, Rigorous and robust training agenda, Advocacy for importance of the role. What would be the effects of such a change?Ability to recruit and retain more into the sector.

Future supply of ECD workers

If early childhood services are to meet the National Quality Standard (COAG 2009c) and Closing the Gap targets (COAG 2009a), the ECD workforce will need to grow significantly in coming years. Not only will this involve an increase in workforce numbers, but it will also require an increase in the workforce's average level of qualifications. However, the rate at which the supply of qualified ECD labour will increase is unclear:

- The *National children's services workforce study* (CSMAC 2006) anticipated a 1.4 per cent annual increase in qualified ECD workers, under 2006 policy settings.

- In their analysis of the National Quality Agenda, Access Economics assume a growth rate of 5.5 per cent, which is 'based on discussions with DEEWR and represents what is deemed an achievable growth in qualified labour within the ECEC sector' (2009, p. 49).

Will the supply of qualified ECD workers expand sufficiently to meet COAG's objectives? No, especially in OSHC. How might the training of additional workers

be funded? Government initiatives linked with key CC organisations, on the floor, mentoring, class room based delivery modes. Currently RTO's receive the funding, therefore increasing the likelihood of ticking off to receive the funding and/or not being as rigious. CC ultimately face the repercussions of this.

Quality of training courses and providers

The quality of courses and providers is a potential concern in the context of the projected growth in demand for ECD qualifications. Initial consultations have suggested that the quality of training leading to ECD qualifications is variable, with some training providers reportedly being of poor quality. Some have also questioned the quality and usefulness of certain training courses. For instance, Bretherton (2010) suggests that early childhood diplomas may not equip graduates with the management or administrative skills needed to run childcare centres.

Are training providers and courses of sufficient quality to meet the needs of the ECD sector

NOOOOO!!!!!!!!!!!!!!

What can be done to ensure that there is an adequate supply of skilled trainers to meet future increases in demand for training?

Link with key organisations within the sector to act as mentors (financially supported) without reducing the field in terms of practitioners. Good practitioner should be released to support training….but the service reimbursed. Return to service (not just for a week) for trainer to gain first hand knowledge of the sector and the trends.

Productivity of the ECD workforce

The National Quality Agenda requires an increase in the average qualification level of ECD staff. This is likely to increase wages and salaries, as these more highly qualified workers seek a return on their improved qualifications. In theory, increased costs could be partially offset by increases in productivity. However, the potential for productivity gains is limited by mandatory staff-to-child ratios. Indeed, future increases in these ratios are likely to have a negative impact on productivity.

What is the scope for productivity improvements in the ECD sector?

Children First – Ratios should continue to be improved.

Workforce planning

In recent years the Australian Government has attempted to increase the supply of qualified childcare workers and preschool teachers by reducing course fees, providing fee rebates, and funding additional training places (DEEWR 2010a). Likewise, state and local governments have introduced various measures, such as scholarships, to increase the supply of child health nurses (for instance, Municipal Association of Victoria 2010). The extent to which these measures have been, or will be, effective is not yet clear.

Have initiatives to increase the supply of ECD workers been effective?

NO, have been a money making scheme for RTO's. Qualifications are too readily gained when students do not have the knowledge, skills or attributes for the position. Students are not work ready nor suitable often.

RTO's have child care on their scope without any experience of the sector or trainers with this current experience and knowledge.

Workforce planning is made more difficult by other changes currently underway in the sector, notably the requirement for large numbers of workers to upgrade their qualifications. Many of these workers have not previously considered it worthwhile to do so (CSMAC 2006). It is therefore possible that such workers may reduce their working hours to allow time for study, or may leave the ECD sector altogether.

Will the workers who are required to upgrade their qualifications do so, or will they leave the ECD sector?

Numbers of people upgrading but also others leaving for fear of failure and the expense to gain a qualification. Particularly if they are at the end of their career. The remuneration increase does little to support or encourage the gaining of a qualification.

Integration of ECD services

Integrating ECD services may enable workforce innovation. Opportunities may arise, for example, for the development of a generalised ECD workforce that can work across traditional ECD sectors — such as early intervention, childcare and early childhood education.

The increased integration of services may also require the further development of leadership, management and administrative skills within the existing workforce.

Alternatively, opportunities may arise for the training of specialist integrated services managers to coordinate the delivery of a diverse range of ECD services.

What are the implications for the ECD workforce, in terms of skill-mix requirements and work practices, from integrating or co-locating ECD services? Is there scope for the development of a generalised ECD workforce or a pool of specialised integrated services managers?

Professional Support Co-ordinators Integrated Report

In the context of increasing integration of ECD services, does the involvement of multiple unions and professional associations affect the capacity for innovation and flexibility in the ECD workforce?

Yes, too many different players with their own territorial barriers – looking after own patch as opposed to working collaboratively and united for children. .

Demographic, social and policy changes

A range of demographic and social factors, including ageing of the population, and the participation of women in the workforce, have the potential to affect the supply of ECD workers. In addition, the introduction of paid parental leave may allow ECD workers to take more leave following the birth of a child, reducing the supply of workers. Conversely, it could encourage parents to return to their previous employment, increasing the supply of experienced workers.

How will the ageing of the population, the introduction of paid parental leave, and other demographic, social and policy changes affect the supply of ECD workers?

ECD workforce for Indigenous children

Many of the issues affecting the mainstream workforce, including pay and conditions, access to training, and difficulties in recruiting qualified staff, also have an impact on the ECD workforce for Indigenous children. However, in some cases these issues have a more significant impact on Indigenous-specific ECD service providers than on mainstream services (Flaxman, Muir and Oprea 2009).

Moreover, because mainstream models of ECD services may not fit the needs of Indigenous families and communities, providing effective services for Indigenous children may require ECD workers to possess different skills or attributes to those of mainstream workers. For instance, trust and community endorsement of ECD workers may be of more importance than formal qualifications in Indigenous

settings (Fasoli and Moss 2007). In light of this, alternative strategies may be required to recruit, train and retain workers with the necessary qualifications, personal qualities and community connections to effectively deliver ECD services to Indigenous children.

What skills must ECD workers have in order to provide effective services to Indigenous children? *Knowledge and understanding of the culture to avoid tokenistic practice. Strong interpersonal skills so as to develop effective family partnerships.* *Do all ECD workers who work with Indigenous children have these skills?* *No. Given the challenges faced by many services for Indigenous children, how appropriate are the remuneration and conditions for workers in those services?*

Building Indigenous workforce capability is one strategy, among others, that can contribute to improvements in ECD services and outcomes for Indigenous children. A variety of programs assist Indigenous workers to obtain training and qualifications in the ECD sector, including Indigenous Professional Support Units in every state and the Northern Territory, and degree programs in Indigenous early childhood education at several universities. The effectiveness of such programs, particularly for workers from remote areas or with limited formal education, remains unclear.

What strategies are being used to attract ECD workers from Indigenous communities and to build Indigenous workforce capability? How effective are these strategies?

ECD workforce for children with additional needs

ECD workers may require a range of additional skills and support in order to effectively educate and care for all children, including those:

- from low socioeconomic status backgrounds
- from CALD backgrounds
- with disabilities or other additional needs.

There are a variety of programs to assist childcare workers and providers to offer appropriate services to children with additional needs, notably the Inclusion and Professional Support Program (DEEWR 2009).

However, substantial difficulties have been reported in recruiting and retaining staff with the particular skills needed to work with CALD and disadvantaged children and families (Cortis, Katz and Patulny 2009). There also appears to be little

available information on the cultural and linguistic diversity of the ECD workforce itself.

Likewise, initial consultations suggest that there may be particular shortages of workers with the skills to work with children with special needs, particularly early childhood intervention workers. These workers come from a variety of professional backgrounds and may have career paths outside the ECD sector.

Do ECD workers have the skills to provide effective services to all the children who they regularly work with, including those with disabilities and other special needs and from CALD or low SES backgrounds? No. What additional skills or support might they require in order to do so?

Review of delivery content within qualifications and ongoing professional development to ensure current practice in line with research.

To what extent are workers from CALD backgrounds represented in the ECD sector?

How appropriate are the remuneration and conditions for ECD workers for children with additional needs?

Are there particular workforce issues for early childhood intervention workers? Is the expertise of such workers sufficiently recognised and valued? Are there career paths that enable early childhood intervention workers to remain within the ECD sector?

7   Lessons from other sectors and other countries

The terms of reference ask the Commission to include 'a comparative element' in its analysis of the education and training of the ECD workforce. The comparison could be with the workforces of other community and public services (such as health), and with ECD workforces in other countries.

Recommendations arising from reviews of workforces in other sectors in Australia may be applicable to Australia's ECD workforce. For example, the Commission's own work on the health sector workforce made recommendations to improve 'the institutional, regulatory and funding frameworks within which health workforce policy formulation and decision making occurs' (PC 2005, p. XXXI).

Further to this, the Commission will consider prominent reviews of the early childhood education and care sectors in other countries, such as the OECD's

Starting Strong II (OECD 2006). However, research over such a wide scope, and involving such an extensive body of literature, will require input from participants who have specialist knowledge.

What lessons can be learnt from the ECD sectors in other countries or from other sectors within Australia? What are some of the caveats that need to be taken into account when making comparisons across countries or across sectors?

References

Abhayaratna, J. and Lattimore, R. 2006, *Workforce Participation Rates — How Does Australia Compare?*, Productivity Commission Staff Working Paper, Canberra.

ABS (Australian Bureau of Statistics) 2008, *Childhood Education and Care,* Cat. no. 4402.0, ABS, Canberra.

—— 2009, *Australia and New Zealand Standard Classification of Occupations, First Edition, Revision 1*, Cat. no. 1220.0, ABS, Canberra.

—— 2010, *Australian Demographic Statistics*, Cat. no. 3101.0, ABS, Canberra.

Access Economics, 2009, *An economic analysis of the proposed ECEC National Quality Agenda*, Department of Education, Employment and Workplace Relations, Canberra.

AIHW (Australian Institute of Health and Welfare) 1997, *Australia's welfare 1997: services and assistance*, Canberra.

—— 2001, *Family support services in Australia 2000*, cat. no. CFS 4, Canberra.

Australian Government 2010, *Taking Preventative Action – A Response to Australia: The Healthiest Country by 2020 – The Report of the National Preventative Health Taskforce*, Canberra.

Bretherton, T. 2010, *Developing the child care workforce: Understanding 'fight' or 'flight' amongst workers*, National Centre for Vocational Education Research, Adelaide.

CSDMAC (Community and Disability Services Ministers' Advisory Council) 2009, *A strategic assessment of the children's services industry*, Adelaide.

CSMAC (Community Services Ministers' Advisory Council) 2006, *National children's services workforce study*, Melbourne.

COAG (Council of Australian Governments) 2009a, *Closing the Gap: National Partnership Agreement on Indigenous Early Childhood Development*, Canberra, July.

—— 2009b, *Investing in the Early Years — a National Early Childhood Development Strategy*, Canberra, July.

—— 2009c, *National Quality Standard for Early Childhood Education and Care and School Age Care*, Canberra, December.

—— 2009d, *Regulation Impact Statement for Early Childhood Education and Care Quality Reforms — COAG Decision RIS*, Canberra, December.

Cortis, N., Katz, I. and Patulny, R. 2009, *Engaging hard-to-reach families and children*, Occasional Paper No. 26, FACHSIA, Canberra.

DEECD (Victorian Department of Education and Early Childhood Development) 2009, *Improving Victoria's Early Childhood Workforce: Working to give Victoria's children the best start in life*, Department of Education and Early Childhood Development, Melbourne, November.

DEEWR (Department of Education, Employment and Workplace Relations) 2009, *Inclusion and Professional Support Program — Program Guidelines*, Department of Education, Employment and Workplace Relations, Canberra, July.

—— 2010a, Early Childhood Workforce, http://www.deewr.gov.au/Early Childhood/Policy_Agenda/EarlyChildhoodWorkforce/Pages/home.aspx (accessed 1 October 2010).

—— 2010b, Job Outlook Make Your Career a Reality, http://joboutlook.gov.au /pages/default.aspx (accessed 1 October 2010).

—— 2010c, National Quality Framework for Early Childhood Education & Care, http://www.deewr.gov.au/EarlyChildhood/Policy_Agenda/Quality/Pages/ home.aspx (accessed 15 November 2010).

DHS (Department of Human Services) 2007, *Victorian local government support for early childhood services — A survey of Victorian councils,* Melbourne, April.

Doiron, D. and Kalb, G. 2005 'Demands for Child Care and Household Labour Supply in Australia', *The Economic Record*, Vol. 81, No. 254, pp. 215–36.

Evesson, J. et al. (Evesson, J., Bretherton, T., Buchanan, J., Rafferty, M., Considine, G. and Workplace Research Centre, University of Sydney) 2009, *Understanding vocational education and training, productivity and workforce participation: An issues paper*, National Centre for Vocational Education Research, Adelaide.

Fasoli, L. and Moss, B. 2007, 'What can we learn for 'innovative' child care services? Children's services purposes and practices in Australia's Northern Territory', *Contemporary Issues in Early Childhood*, vol. 8, no. 3, pp. 265–274.

Fenech, M. et al. (Fenech, M., Sumison, J., Robertson, G. and Goodfellow, J.) 2008, 'The regulatory environment: a source of job (dis)satisfaction for early childhood professionals', *Early Childhood Education and Care*, vol. 178, no. 1, pp. 1–14.

Flaxman, S., Muir, K. and Oprea, I. 2009, *Indigenous families and children: coordination and provision of services*, Occasional Paper No. 23, FACHSIA, Canberra.

LHMU (Liquor, Hospitality and Miscellaneous Union) 2008, *Big steps in childcare – Education and care for the 21st century*, Sydney.

Municipal Association of Victoria, 2010, Maternal and Child Health Nursing — Scholarships, http://www.mav.asn.au/CA257168002B8682/pages/scholarships? OpenDocument (accessed 7 October 2010).

OECD (Organisation for Economic Co-operation and Development) 2006, *Starting Strong II: Early Childhood Education and Care*, Paris.

PC (Productivity Commission) 2005, *Australia's Health Workforce*, Research Report, Canberra.

Senate 2009, *Provision of childcare*, Senate Standing Committee on Education, Employment and Workplace Relations References Committee, (Senator Gary Humphries, Chair), Canberra.

SCRGSP (Steering Committee for the Review of Government Service Provision) 2010, *Report on Government Services 2010*, Productivity Commission, Canberra.

UNESCO nd, E*arly Childhood Care and Education*, http://www.unesco.org/en/ early-childhood/, accessed 25 October 2010.

Watson, L. 2006, *Pathways to a Profession: education and training in early childhood education and care, Australia*, Final Report to the Department of Education, Science and Training, http://www.dest.gov.au/sectors/school _education/publications_resources/profiles/pathways_to_a_profession.htm (accessed 18 March 2009).

A. Terms of reference

EDUCATION AND TRAINING WORKFORCE STUDY

Productivity Commission Act 1998

I, Nick Sherry, Assistant Treasurer, pursuant to Parts 2 and 3 of the Productivity Commission Act 1998 hereby request that the Productivity Commission undertake a research study to examine issues impacting on the workforces in the early childhood development, schooling and vocational education and training sectors, including the supply of and demand for these workforces, and provide advice on workforce planning, development and structure in the short, medium and long-term.

Background

The Council of Australian Governments (COAG) has agreed on common strategic frameworks to guide government action on early childhood development, schooling and vocational education and training (VET) across Australia.

Building the capability and effectiveness of the workforces in these sectors, particularly for Indigenous people, will be critical to achieving the outcomes agreed in these frameworks. This study is to be undertaken in this context, and responds to a request from the COAG Working Group on the Productivity Agenda that the Productivity Commission undertake a research study examining workforce issues in these sectors.

Scope

The Commission is to provide advice on workforce planning, development and structure of the early childhood development, schooling and VET workforces in the short, medium and long-term.

In undertaking this study, it should consider and provide advice on:

1. The current and future demand for the workforces, and the mix of knowledge and skills required to meet service need. This will include consideration of:
   (a) population distribution and demographic trends, jurisdictional and regional analysis;
   (b) significant shifts in skill requirements; and
   (c) policy and regulation given the agreed COAG outcomes (particularly the National Early Childhood Development Strategy, relevant National Partnerships, the National Education Agreement and the National Indigenous Reform Agreement).
2. The current and future supply for the workforces, including:
   (a) demographic, socio-cultural mix and composition of the existing workforces, and jurisdictional and regional analysis;
   (b) elements such as remuneration, pay equity/differentials, working conditions, professional status and standing, retention, roles and responsibilities, professional development, and training and support structures; and
   (c) qualifications pathways particularly pathways that will ensure accessibility and appropriateness of training to meet the qualifications and competencies required for the various occupations in the workforces.
3. The current and future structure and mix of the workforces and their consequential efficiency and effectiveness, including:
   (a) the composition and skills of the existing workforces;
   (b) the productivity of the workforces and the scope for productivity improvements; and
   (c) the most appropriate mix of skills and knowledge required to deliver on the outcomes in the COAG national framework.
4. Workforce planning, development and structure in the short, medium and long-term, including:
   (a) policy, governance and regulatory measures to maximise the efficiency and effectiveness of the workforces in order to achieve the outcomes set out in the COAG frameworks; and

(b) changes to ongoing data collection to establish a robust evidence base, provide for future workforce planning and development and meet reporting requirements.

In addressing the Terms of Reference, a key consideration will be the extent to which sectoral and jurisdictional boundaries limit innovation and flexibility in workforce planning, development and practices. In addition to sector-specific issues, the Commission is therefore requested to consider whether reducing sectoral divides between workforces in these sectors could support a more learner-focused approach, achieve better individual outcomes and increase the efficiency of workforce development and planning.

Cross-sectoral and integrated service delivery

In recognition of some lowering of cross-sectoral boundaries and the growth of cross-sectoral delivery and integrated service delivery models, the Commission is asked to consider and provide advice on:
1. workforce skill and training needs;
2. the extent to which job design and employment agreements in the sectors are aligned to contemporary work practices;
3. implications for workforce planning across the sectors from integrated service delivery; and
4. the extent to which existing employer practices encourage attracting and retaining employees.

In addition, the Commission is to give consideration to factors that impact on building Indigenous workforce capability in recognition of the effect this will have on improving outcomes for, employment of and services to Indigenous Australians.

The Commission is also to give consideration to factors that have particular impact on each sector. These will include:

1.   The Early Childhood Development Workforce

The Early Childhood Development (ECD) workforce can include, but not be limited to: coordinators and managers, early childhood teachers, teaching assistants and para-professionals, childcare workers for pre-primary and primary aged children, early childhood intervention professionals, administrative staff, community service workers and relevant health and social welfare professionals.

In relation to the ECD workforce the Commission is asked to specifically consider and give advice on:

1. Factors affecting the current and future demand and supply for the ECD workforce, and the required mix of skills and knowledge, including:
   a. delivery of fully integrated ECD services including maternal and child health, childcare, preschool, family support services and services for those with additional needs;
   b. market requirements for broader leadership, management and administrative skills in operating both mainstream universal service providers and integrated service hubs;
   c. the availability and quality of pre-service education programs, including through undergraduate and postgraduate education and VET, and consideration of training pathways;
   d. ECD workforce participation, including ease of access to the early childhood development workforce in different sectors and net returns to individuals and recognition of expertise; and
   e. the quality and skills of the workforce, job design and workplace practices and arrangements and their contribution to achieving COAG outcomes and setting future direction.

2. Workforce planning, development and structure in the short, medium and long term, covering:
   a. career pathways, the structure of existing employment arrangements and practices and the extent to which they are dis/incentives to attracting and retaining employees, including pay and conditions across settings; strategies to address possible pay equity issues as necessary; options for funding pay increases as necessary; and the implications for purchasers of ECD services and all levels of government and funding responsibilities;
   b. potential labour market failures;
   c. the impact of government, community and private provision; and
   d. the concept and workforce implications of integrated service delivery.

2. The Schooling Workforce

The schooling workforce refers to teachers and those who support the practice of teaching. These can include, but are not limited to: leaders and managers; teaching assistants and para-professionals; administrative staff; and relevant health professionals.

In relation to the schooling workforce the Commission is asked to specifically consider and give advice on:

1. The current and future supply for the schooling workforce, including:
    a.   the availability and quality of pre-service education programs, including through undergraduate and postgraduate education, and VET;
    b.   government programs targeting supply pressures, including the extent to which there is national cohesion in relation to these programs;
    c.   motivation for entering, remaining in and exiting the school workforce and the attraction and retention of principals in changing contexts; and
    d.   school workforce participation, including ease of access to the teacher profession and/or schooling workforce, net returns to individuals, recognition of industry expertise, wastage rates in teacher training and underutilisation of qualified teachers (such as loss of qualified teachers to other occupations or overseas).

2. The structure and mix of the workforce and its consequent efficiency and effectiveness, including:
    a.   the composition and skills of the existing workforce;
    b.   the productivity of the workforce and the scope for productivity improvements, qualifications pathways; and
    c.   how the current delineation of duties supports or impedes the achievement of COAG outcomes.

3. Workforce planning, development and structure in the short, medium and long term:
    a.   the extent to which current sectoral boundaries promote or limit efficiency and effectiveness in schooling workforce;
    b.   interface with suppliers of pre-service training (undergraduate, post-graduate and VET) and
    c.   the quality and culture of the workforce and its employers, and their contribution to achieving COAG outcomes and setting future directions.

3. The VET Workforce

The status of VET practitioners as 'dual professionals', deploying both industry and education skills delivered in schools, VET only, dual sector and industry settings, is unique among education sectors, and poses both challenges and opportunities for the VET sector in attracting and retaining staff. In addition, the increasingly commercial environment in which many providers operate creates a significant role for VET professionals who are engaged in organisational leadership and management, but not directly involved in training delivery. The impact of this trend on the required capabilities of VET professionals is of policy interest.

In relation to the VET workforce, the Commission is asked to consider both the VET workforce as a whole, including trainers and assessors in enterprises, adult community education and community organisations, and the TAFE workforce as a subset, and provide advice on:

1. Factors affecting the current and future demand for the VET workforce, and the required mix of skills and knowledge:
    a.   change in participation in VET as a result of increasing labour market emphasis on formal training and lifelong learning;
    b.   change in volume and type of training delivered to each VET participant as a result of the trend towards higher level qualifications, and as a result of the impact of the Recognition of Prior Learning (RPL) and the Recognition of Current Competencies (RCC);
    c.   likely future patterns of training demand by industry and sector, including as a consequence of responses to emerging economic and environmental issues and to gap training and skills assessment;

d. requirement for broader skills in VET professionals as a result of increasing system focus on client needs, including flexible delivery, greater focus on employability skills, catering for a more diverse student base, and partnering with enterprises and communities;

e. demand for managerial and entrepreneurial skills as a result of growing commercial dimensions of the VET sector and strategic market positioning and branding;

f. the impact of delivery of higher level VET qualifications (eg Associate and Bachelor Degrees); and

g. training pathways and the provision of 'second chance' education and training such as for migrant and Indigenous students.

2. The current and future supply of the VET workforce, including:
    a. motivation for entering, remaining in and exiting the workforce; and
    b. competition from other employers including industry and other education sectors.

3. The structure of the workforce and its consequent efficiency and effectiveness, including:
    a. the extent to which job design and employment agreements in the VET sector are aligned to contemporary work practices in a commercially competitive environment;
    b. the adequacy of support for high-quality professional practice, including consideration of practitioner qualifications and standards for VET practitioners across sectors;
    c. the current and potential impact of workforce development activities within the VET sector on the capability and capacity of the VET workforce, including a workforce development plan; and
    d. the implications of emerging workplace and employment practices, including increasing casual and part-time employment, the 'core/periphery' model and blurring of teaching and non-teaching roles.

Study Process

In undertaking its study, the Commission should consult widely with relevant professionals and interested parties. It should use, but not replicate, existing work such as that underway by COAG, the relevant Ministerial Councils, Senior Officials' Working Groups and jurisdictions, including on:
- the early childhood quality reform agenda;
- teacher quality reforms;
- further reforms arising from policy directions of the National Agreement on Skills and Workforce Development;
- Indigenous reforms; and
- previous work commissioned by the Victorian DHS for the Community Services Ministers Advisory Committee.

This should include relevant recent survey work and workforce studies in each sector and research undertaken by NCVER, ACER, various university research centres, TAFEs and Industry Skills Councils, and the OECD.

The study should include a comparative element, both in terms of comparing the education and training workforce to other community/public service professions such as the health sector, and of relevant international comparisons, particularly with regard to the ECD workforce which is undergoing significant reform in Australia.

The Commission should provide a report, dealing with the VET workforce, within twelve months of receipt of this reference; and a second and third report, dealing with the early childhood development and schooling workforces, within eighteen and twenty four months respectively of receipt of this reference. The reports will be published.

Nick Sherry
Assistant Treasurer
[Received 22 April 2010]

B.   The other education workforce studies

The focus of this issues paper is the ECD workforce study. The VET workforce is currently being examined in another study, while the Schooling workforce study is due to start in April 2011 (box B.1). Interested parties have an opportunity to register their interest in one or more of the studies (visit http://www.pc.gov.au/projects/study/education-workforce to register your interest).

Box B.1	**Indicative timelines for the three studies**		
	VET	**ECD**	**Schooling**
2010 April	Start		
May			
June			
July	Initial submissions due		
August	Roundtables		
September			
October		Start	
November	Draft report released		
December	Roundtables		
2011 January	Final submissions due	Initial submissions due	
February		Roundtables	
March			
April	Final report released		Start
May			
June		Draft report released	Initial submissions due
July		Roundtables	Roundtables
August		Final submissions due	
September			
October		Final report released	
November			Draft report released
December			Roundtables
2012 January			Final submissions due
February			
March			
April			Final report released

C. How to make a submission

Anyone can make a submission. This is a public study and the Commission invites all interested individuals and organisations to take part. In your submission, you do not need to address all the issues raised in this paper and you may comment on any other issues that you consider relevant to the terms of reference.

There is no specified format

A submission can be anything from a short note or email outlining your views on a few matters to a more substantial document covering a wide range of issues. Where possible, you should give evidence to support your views, such as data and documentation. Although we welcome every submission, multiple, identical submissions do not carry any more weight than the merits of an argument in a single submission.

Use the cover sheet at the end of this paper

To help the Commission comply with privacy laws, each submission should be accompanied by a submission cover sheet containing the submitter's personal and organisational contact details. A blank submission cover sheet is provided at the end of this paper and an electronic version is available on the study website (http://www.pc.gov.au/projects/study/education-workforce/early-childhood).

Email lodgement is preferred

If possible, submissions should be lodged by email as a text or Microsoft Word document (.txt, .rtf, .doc), rather than Adobe Portable Document Format (.pdf), to ensure screen readers can read them. Submissions may also be sent by mail, fax or audio cassette, and arrangements can be made to record oral submissions over the telephone. Relevant contact details are provided on the submission cover sheet at the end of this paper.

Please ensure that the version sent is the final version, and that you have removed any drafting notes, track changes, annotations, hidden text, marked revisions, as well as any internal links. Please also remove large logos and decorative graphics (to keep file sizes down). This will enable the submission to be more easily viewed and downloaded from the website. Copyright in submissions sent to the Commission resides with the author(s), not with the Commission.

Submissions should be public documents

The Commission seeks to have as much information as possible on the public record. This is a public study, and the Commission will make submissions available for others to read. Submissions will become publicly available documents once placed on the study website. This will normally occur shortly after receipt of a submission, unless it is marked confidential or accompanied by a request to delay release for a short period of time. Any confidential material sent to the Commission should be provided under separate cover and clearly marked.