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Submission from Community
Child Care Co-operative (NSW)
to the Productivity Commission
Inquiry into Childcare and Early
Childhood Learning

February 2014



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The Productivity Commission has been asked to consider what contribution access to affordable, high quality, care can make to increasing workforce participation and to optimising children's learning and development. The Commission has been asked to make policy recommendations within current funding parameters.



But what if the Commission had been asked to put the child at the centre?



What if the Commission's terms of reference asked it to first consider how to optimise each Australian child's learning and development from birth?

Would it then have made sense to restrict the Commission's recommendations to what can be achieved within current funding?



If the Inquiry had been
asked to prioritise the child

Would it make sense to examine the issue from a ‘care’ perspective?

- ◆ Children and children’s needs must be at the core of any country’s ‘childcare’ system. Australia’s childcare system, or as it is more rightly now known, our early education and care system, has evolved over time, with little comprehensive analysis of the aims and policy design of an integrated early education and care system that would best suit our country’s needs, or those of our children.
- ◆ Early childhood education must be considered as the starting point of children’s education, not as a workforce issue. A child’s school education is not designed so that parents can go to work – it is designed for children and based on education and outcomes for children.
- ◆ This must also be the starting point for early education. How can we design, change or add to our early education and care system so that each Australian child receives the best start to their education?
- ◆ There is no doubt that children benefit from their parents being employed, through greater access to educational opportunities, by having access to a higher standard of living and often just as a result of parents being more meaningfully engaged in work.
- ◆ Australia as a country also benefits through parents, particularly mothers, returning to work post childbirth with increased productivity and higher GDP.
- ◆ What we know about children and babies now, that was perhaps not so clear when the rallying call first went out for childcare for women, is that babies and children learn consistently from birth and learn more in the first five years of life than at any stage of their lives.
- ◆ As a country we have consistently made (and still are making) adjustments to our education system to meet our productivity agenda as a nation. We recognise that our future productivity depends on getting our education system right.
- ◆ And this is why we now need to consider the role that early education plays in our education system. Our country’s future productivity depends on getting our early education system right, especially at a time when so many other countries, who may well be competing economies, are excelling in this area.

But we also need to get it right because our children deserve for us to get it right. As a country, we should make changes to our early education system that will make it easier for our children’s parents to work, at the same time as ensuring those changes also improve the early education we offer these children.



If the Inquiry had been
asked to prioritise the child

Would we make sure everyone knew why **early education** is so important?

Sometimes it is hard to find evidence that supports the view that something is important. Early education is not one of those things. Community Child Care Co-operative (NSW) is aware of at least 123 studies¹ that have been undertaken in the US alone and around 40 from the rest of the world² that demonstrate the effectiveness of high-quality early education.

We know that participation in early education has short and long term effects on:

- ◆ Social and emotional well-being;
- ◆ cognition;
- ◆ academic results at school;
- ◆ later earnings.

There is also evidence that early education reduces anti-social behaviour, crime rates and the need for income support payments over the long term.

We also know that participation in early education:

- ◆ Is one of the best ways of reducing social and economic inequity.
- ◆ Is an opportunity– children learn more in their first five years of life than at any other time in their lives.

There are also more reasons and there is more evidence to support investment in a quality early childhood system;

- ◆ The Australian Early Development Index (2012)³ shows that 22 per cent of children are developmentally vulnerable on one or more of the domains it measures when children start school. (Physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, and communication skills and general knowledge.) Overall in Australia, 10.8 per cent of children are developmentally vulnerable on two or more of these domains.
- ◆ The University of Melbourne's⁴ research examined the impact of participation in early education in the year prior to formal schooling on Year 3 National Assessment Program – Literacy and Numeracy (NAPLAN) scores. This research shows that children who access a preschool education scored 15–20 points higher than those who don't.
- ◆ The Organisation for Economic Co-operation and Development's Programme for International Student Assessment⁵ (PISA tests) of fifteen year olds highlights a significant gap between the educational outcomes between Australia's socio-economically

1 <http://www.tcrecord.org/Content.asp?ContentID=15440>

2 <http://www.sciencedirect.com/science/article/pii/S027277570900106X>

3 http://www.rch.org.au/aedi/Report_NationalReport_2012_1304/

4 <http://www.education.vic.gov.au/Documents/about/research/preschoolparticipationandqualisummarypaper2013.pdf>

5 <http://www.oecd.org/pisa/keyfindings/pisa-2012-results.htm>



advantaged and disadvantaged families. The 2012 PISA results showed us that across OECD countries, students who participated in early education programs performed better – a full year ahead of their peers. The OECD recommends that countries increase investment in early learning for disadvantaged children and states that the best outcomes are achieved when children spend two years in early childhood education.

Two important longitudinal studies from the United States and United Kingdom definitively show the advantages of early education:

- ◆ The High Scope Perry Preschool Program⁶ found significant short and long-term improvements in child development outcomes for participating disadvantaged students .
- ◆ The benefits were: improved cognitive and social development; reduced need for remedial education; higher rates of school completion and post-school education; higher employment rates; as well as reduced crime rates and dependence on welfare.
- ◆ The Effective Provision of Preschool and Primary Education (EPPE)⁷ study shows participation in early education, compared to none, enhances all-round development in children, increasing intellectual development, independence, concentration and sociability.

We also know that the Commonwealth and every State and Territory government in Australia has already recognised the importance of early education.

- ◆ It was why they agreed to *A National Early Childhood Development Strategy – Investing in the Early Years in 2008*.
- ◆ It was why they agreed to form national partnerships to act to improve the supply and integration of early childhood services, including childcare and early learning and development, through the delivery of universal access to quality early childhood education in the year before full time schooling, and to establish a National Quality Agenda for early childhood education and care in Australia.

Despite:

- ◆ the knowledge that early education is important;
 - ◆ the knowledge as to why it is important; and
 - ◆ the existing actions as a nation to improve quality and access to early education;
- our families and our politicians don't always have a narrative that explains this in the same way we have a narrative around the importance of school education.

If we did, we would have less discussions about 'childcare' and 'childcare' access and affordability and more constructive discussions about early education. We would discuss how we can develop and deliver a world class early education system that enables parents, particularly women, to work, but has at its raison d'être the early education of our children.

6 http://www.highscope.org/file/Research/PerryProject/specialsummary_rev2011_02_2.pdf

7 <http://eppe.ioe.ac.uk/eppe/eppepdfs/RBTec1223sept0412.pdf>



If the Inquiry had been
asked to prioritise the child

Would we determine what we need to do to ensure every child has **access** to quality early education?

Community Child Care Co-operative (NSW)'s view is that access to high quality early education should be every Australian child's right because of the benefits it can bring to children and families. The Productivity Commission's Inquiry would benefit from having children at the centre of its deliberations and recommendations.

- ◆ For early education and care services, the child, their wellbeing and rights are always the centre of what we do, and why we exist. Likewise, the best interests of each child must also be central to the design of Australia's early education and care system. That means ensuring that each child has access to affordable, quality early education.
- ◆ The things that we need to do to ensure that each child has access to early education are, in some ways, not that hard.

We need to ensure:

- That Australia has adequate plans to ensure that there are early education services where children need them.
- That families can afford to access them.
- And of course they need to be quality (but more on that later on).

Planning

- ◆ There is no doubt that we have a shortage of early education and care services overall in Australia. We need to develop new services and we need to plan to ensure supply equals or supersedes demand within each community.
- ◆ Community Child Care Co-operative (NSW) believes that the appropriate level for planning early education and care services in Australia is at the local government level. Local governments know the needs of their local government area and can assess where additional services are needed and what type of service best meets the needs of children and their families, in which parts of their local government area.
- ◆ We need to make additional plans to ensure that those children who traditionally miss out on access to early education, don't. Children with additional needs, babies, children in remote areas, Aboriginal and Torres Strait Islander children, children from culturally and linguistically diverse backgrounds, economically disadvantaged children and other vulnerable and at risk children need additional plans in place to ensure they have access. These are children who experience the greatest benefit from early education.



- ◆ No family in Australia is told that there is no place for their child in a school, and neither should they be told that there is no place for their child in an early education and care service.

Affordability

- ◆ We must recognise the inequity of fees for participation in early education. Fees vary according to where a child lives, and the type of service they use. We must also recognise that many children miss out because early education is expensive.
- ◆ Community Child Care Co-operative (NSW) believes that funding services, rather than parents, is the way to ensure that fees are contained and equitable. Although our current Child Care Benefit system ensures that public funds go to those that require them the most, our Child Care Rebate system does not.
- ◆ Our subsidy system is inherently inequitable.
 - After subsidies, families in the lowest income bracket with one child in care (ie under \$35,000 per annum) pay the highest percentage of their income for care except for families earning above \$135,000 per annum.
 - After subsidies, families in the lowest income bracket with two child in care (ie under \$35,000 per annum) pay the highest percentage of their income for care except for families earning above \$115,000 per annum.⁸
- ◆ Having a dual subsidy system is confusing to parents and unnecessarily costly to administer. Families who use state funded preschools and kindergartens do not understand why they cannot access rebates. Even the terminology is confusing! (How can a service be offered by an 'Approved Provider' under the education and care legislation but not be an 'Approved Service' under the family assistance legislation which governs CCB and CCR?)
- ◆ The current administration of payments to parents via services is complex and difficult for parents and services to navigate and costly for services to administer. Some payments go to services (eg inclusion support subsidy) and others to parents via services. Families cannot distinguish between CCB and CCR.
- ◆ Australia's existing investment in early education and care is high. But do we achieve the best value for this investment? Community Child Care Co-operative (NSW) believes we need to increase our investment but we also believe that there are structural design issues which cause inflationary effects on early education and care fees that could be changed.
- ◆ An example is the participation of corporate providers in the early education and

8 http://www.pc.gov.au/_data/assets/pdf_file/0012/132303/rogs-2014-volumeb-chapter3.pdf Table 3A.58



care sector. Corporations are mandated to ensure they obtain the highest return on shareholders' investments. Obviously this means charging the highest fees that the market will bear.

- ◆ The reliance on a failing method of supply (market forces) also means that early education and care service provision is not subject to normal market price forces. Basic economics teach us that when demand is greater than supply, prices will rise.

Unless we fix the way we, as a country, plan and charge for early education, it is inevitable that some children will miss out.



If the Inquiry had been
asked to prioritise the child

Would we be clear on the barriers to access... and eliminate them?

So what is getting in the way of us determining what is needed to ensure that each child has access to quality early education? What is getting in the way of us planning for reasonable cost access for **all** children?

Community Child Care Co-operative (NSW) has identified the following:

- ◆ **Market failure or perhaps, failure because there is a market.** For the last decade or more, Australia has provided early education and care mostly by market rather than public provision.
- ◆ **Children miss out in areas of market failure.** The market has not provided well for babies, children in small communities and children with additional needs. It costs more to provide early education and care to these children! We believe that this is not just isolated pockets of market failure – it exists because we have chosen to meet our children’s early education and care needs via market provision.
 - When profit is the only motive determining whether a new education and care service will be opened, it is inevitable that some children will miss out either because they are expensive (babies and children with additional needs) or they live in areas where provision is expensive (regional and remote areas with few children and areas where it costs more to provide).
 - Australia does not rely totally on market provision, of course:
 - There are still some non-market providers such as community-based organisations, charities and local governments – some receive funding via state governments.
 - The extreme market failure of ABC Learning saw a government rescue package and assistance to the not-for-profit sector to take over the services that ABC Learning had previously operated.
 - All governments provide market intervention to ensure children with additional needs and isolated children have some access.
 - But is it enough to ensure intervention to ensure that some areas of market failure are met? The answer to this question is simple. If it did, there would be no need for this Inquiry.
- ◆ **Lack of planning.** There is both a lack of responsibility, and confusion over who is responsible, for planning early education and care provision. When for-profit provision was first allowed, provision was capped, and planning allowed providers to understand where there was demand. Nobody does this sort of planning any more and providers can open services at will.



◆ **Division of responsibility for provision between the state and federal governments.**

Despite great steps made through the National Quality Agenda to simplify which level of government was responsible for ensuring early education and care, we still have a basic problem: the Commonwealth takes responsibility for provision of 'childcare' and the states for early education. This means that children in different states in Australia have different access to early education. In our state, NSW, children have a lot less access, and more expensive access, because the NSW Government spends less than any other state or territory on early education and care. Last year the NSW Minister for Education told the NSW Parliament that it was not a requirement under the Public Education Act for NSW to provide free preschool. Most other states provide free or low cost preschool.

- The division of responsibility also means a duplication of funding systems, of subsidies for children with additional needs. The more complex a system of access is for families to navigate, the more chance of some children falling through the gaps.
- And of course, when no one is absolutely responsible for a policy area, it allows all layers of government to evade responsibility by saying someone else is responsible! We saw this happen in 2013, when the then Commonwealth Government tried to shift responsibility and blame for inadequate early education and care supply to the States and local government – for having planning policies that had not kept up with, and hampered demand.
- We also see it happen again in NSW: the State Government resists calls to invest more in early education unless they it receives increased Commonwealth funding for it. Again, children miss out.

◆ **Positioning of early education and care as a workforce program.** By treating early education and care as a program primarily designed so that families can work, some children miss out. Under the priority of access guidelines that govern receipt of CCB children of families who are working or who are actively seeking work, can access up to 50 hours of subsidised early education a week. Other children can only access up to 24 hours. But any education and care service can tell you that children in families where no one is working are often the children that benefit the most from early education and care!

◆ **Lack of enough government investment.** (More on this later.)

◆ **Imperfect implementation of measures designed to improve access and improve quality.** (More on this later as well.)



If the Inquiry had been
asked to prioritise the child

Would we work out how to provide world class early education and care?

- ◆ What is the best way of providing early education? We have many types of early education and care services – is one type better than another? The jury is still out on this point. Research has conclusively told us not which type works best but what works best – a service where the education and care is integrated. Children learn wherever they are and their education cannot be separated from their care.
- ◆ We do know that much of our current provision is, basically, good. We have a range of service types for parents to choose from, we know a lot of our provision is high quality and we have a comprehensive plan in place to improve service quality (the National Quality Framework). We have systems in place to reduce the cost to allow disadvantaged children access to early education. We have passionate and skilled operators and a comprehensive professional development and inclusion system in place. These elements must all be applauded, strengthened and retained!
- ◆ But we also now know that the education and care offered by not-for-profit community-based education and care providers, including local councils, is generally the highest possible early education and care. Our country has long known that there is something inherently wrong in mixing profit and education. It is for this reason that our education funding laws prohibit the receipt of public funding by any schools that are designed to make a profit. We obviously do not have the same restriction on our early education and care providers, but we need to ask why not?
- ◆ Since 2012, early childhood education and care services in Australia have been progressively assessed as to the quality of early childhood education and care they provide and rated against the National Quality Standard. The top rating level of Excellent, is provided through a separate assessment process, so services are initially rated at one of the following levels:
 - Exceeding the National Quality Standard;
 - Meeting the National Quality Standard;
 - Working Towards the National Quality Standard; or
 - Significant Improvement Required.
- ◆ Despite being responsible for guiding the implementation of the National Quality Framework, the Australian Children's Education and Care Quality Agency (ACECQA) does not collate data on education and care quality by auspice type.
- ◆ ACECQA's National Quality Framework Snapshot 3 showed that of services rated by 30/9/2013 in NSW:



- 14% were rated as Exceeding the National Quality Standard;
- 29% were rated as Meeting the NQS; and
- 56% were rated as Working Towards the National Quality Standard

With its knowledge of service provider types, and using the ACECQA registers, Community Child Care Co-operative (NSW) determined that of services rated by 14/11/2013 in NSW:

- 84% of services rated as Exceeding the National Quality Standard were not-for-profit community-based services; and
- 80% of services rated as Working Towards the National Quality Standard (that is did not meet the standards) were for-profit services.⁹

These statistics show that, at least in NSW, not-for-profit community-based services deliver the highest quality education and care.

⁹ http://booking.ccccnsw.org.au/files/nsw_childcare_fa.pdf



If the Inquiry had been asked to prioritise the child

Would we work out what is hampering more of that provision?

Communities, local governments and existing community-based not-for-profit providers would generally be able to set up new services and expand existing services to meet demand for early education and care but are stopped by barriers which in many cases, are insurmountable.

- ◆ The majority of stand-alone and council run community-based not-for-profit education and care services operating in NSW today were established after the communities had established a need, formed an organisation (often of parents) to establish and operate a service and successfully submitted to the NSW or Commonwealth Governments for capital and establishment funding. The 1972 *Child Care Act* provided capital and recurrent grants to not-for-profit long day care services. In 1974 this was extended to preschools. In the 1980s services were established with a mix of state capital and Commonwealth operational funding.
- ◆ Over the years, the proportion of early education and care services in NSW that are being operated by community-based not-for-profit organisations has shrunk dramatically. With the exception of those services whose operation were taken over by operators such as Goodstart and Mission Australia in the wake of the corporate collapse of ABC Learning, there has only been a handful of new early education and care services established that are community-based and managed.
- ◆ Community-based early education and care services have, for the most part, also ceased to expand. They have faced barriers to increase their licensed numbers to meet increased demand in their communities.
- ◆ There has never been, to the best of Community Child Care Co-operative (NSW)'s knowledge, any specific policy adopted by the Commonwealth government to inhibit the growth of community-based services. In 1990 childcare fee assistance which had previously only been available via not-for-profit operators was extended to for-profit operators. The removal of operational subsidies to community-based services in 1997 and the stopping of the New Growth Strategy that was introduced a few years earlier to expand the provision of work related childcare by not-for-profit organisations were widely seen as actions designed to ensure that private-operators had 'a level playing field' on which to operate, but there was never a specific policy adopted to stop new service establishment by not-for-profit services.
- ◆ It is really more the absence of policy measures to encourage the expansion of existing and development of new services that inhibits the not-for-profit community-based sector from meeting excess demand by catering for more children in existing centres and opening up new centres when needed.

See Case Study 3 (page 45).



The four major policy measures that Community Child Care Co-operative (NSW) believes would assist services to do this are:

1. **Access to capital.** Access to capital for improvements and expansion of existing centres and building or establishing new centres. Community-based not-for-profit services and especially small not-for-profit stand-alone organisations cannot access capital as readily as companies and corporations. Access to capital grants or access to low cost, easy application capital loans would ensure that communities could undertake expansion as required. Access to 'seed' capital or 'barrier' capital is sometimes also required to enable services to start expansion projects.
2. **Access to specialised assistance.** During establishment of a new service or expansion of an existing one, community-based not-for-profit organisations would be dealing with a range of issues that may be outside of their existing skill set. Our experience in the programs and situations outlined in Case Study 1 and 2 at the end of this document has shown us that organisations need access to comprehensive and ongoing specialist assistance and advice to navigate the processes of building, project management, applications for provider and service approvals, loan applications, recruitment of staff, policy and procedure development, governance issues and above all in navigating their interactions with the education and care bureaucracy. Currently organisations like Community Child Care Co-operative (NSW) are providing this advice and support in an often time intensive but unstructured and unfunded manner.
3. **Policy adoption.** Adoption of State and Commonwealth policies to explicitly encourage expansion by not-for-profit organisations in areas of demand. As the examples of Case Study 1 and 4 shows, the absence of policies that positively encourage the development of new services, effectively stymies them. Governments seem unable to draw a distinction between private-for-profit operators to whom it may be inappropriate to provide publicly funded support in the business establishment phases, and community-based operators who could be working in partnership with government to meet public policy objectives of increased early education and care supply.
4. **Comprehensive planning.** Communities generally know where new and expanded education and care is needed within their community. However, if regular needs analysis of education and care demand was conducted at a local government model, this would enable anecdotal evidence to be matched by researched evidence, ensuring value for public investment of funds. We believe the local government area is the most logical and best placed level for planning to be undertaken if properly resourced.

See Case Studies 1, 2 and 4 (pages 43, 44 and 46).



If the Inquiry had been
asked to prioritise the child

Would we work out how to make ours the best system possible?

Quality matters in early childhood education and care. One researcher puts it this way: 'the importance of childcare quality is one of the most robust findings in developmental psychology.'¹⁰

It works like this:

- ◆ High quality education and care enhances development and produces significant long-term effects;
- ◆ Poor quality education and care leads to poor outcomes in areas such as language, cognitive ability and sociability;
- ◆ The longer children spend in poor quality education and care, the worse it is for their future outcomes; and
- ◆ Low quality care impacts more on disadvantaged children than other children (presumably because negative effects can be ameliorated by families).

What produces high quality early education and care has been absolutely defined by a range of research. Essentially the most important element is the quality of the relationships that children form with their educators.

What allows children and educators to create great relationships?

We know that the two most important things are:

- ◆ The ratios of educators to children. The fewer children to each educator, the better.
- ◆ The qualifications of those educators. The higher qualifications, the better. Especially the presence of degree qualified early childhood teachers!

Put simply, a child receives better education and care in a service with more, and more qualified educators.

- ◆ Luckily, Australia knows this. That is why all governments in Australia agreed to a National Quality Agenda, incorporating a National Quality Framework that codified improvements to these things over a 12-year period from 2009 to 2020.

So, Australia has worked out how to make our education and care services as great as possible. Of course, we could go further. We need even lower ratios than we have, particularly for babies. Most experts recommend a ratio of 1 adult for every 3 babies. Ours is 1:4. We need more early childhood teachers, and we need them in all services. (NSW currently provides for one teacher for around every 30 children. Most other states only require one teacher for up to 80 children.)

¹⁰ <http://www.child-encyclopedia.com/documents/McCartneyANGxp.pdf>



If the Inquiry had been asked to prioritise the child

And then stick with the program?

The implementation of the National Quality Framework has been a massive task for the early education and care sector.

It has meant that almost every education and care service in Australia has had to:

- ◆ Implement a new curriculum framework;
- ◆ Plan for changes to ratios;
- ◆ Plan for changes to qualifications including possibly recruiting new staff and upskilling existing staff;
- ◆ Self assess against the new National Quality Standard and write and implement a Quality Improvement plan;
- ◆ Rewrite policies and implement new procedures to fit in with the new legislative framework; and
- ◆ Be or be prepared to be assessed and rated against the new National Quality Agenda.

This has all had to happen at the same time as the new legislation and standards were being written and implemented and as state and territory regulators and even the Commonwealth got its head around a new system of doing, well almost everything.

But, we have done it! From when it was first mooted in 2006, to when it mostly came into effect in 2012, to the qualification changes this month, on the whole, services (and governments) have managed the transition.

Community Child Care Co-operative (NSW) believes passionately that the key improvements of the NQF, the ratio and qualification changes must be delivered on schedule. The design of the National Quality Framework was evidence based policy design at its best.

Any recommendation to delay any of the changes by the Productivity Commission would mean that some children would not gain access to the best quality of early education and care. And this is important because unlike other areas where delays to regulatory reforms might be considered, this affects children. Children only get one childhood.

Community Child Care Co-operative (NSW) also believes that the NQF should be extended to those service types that are currently out of scope such as mobile services, in home care and occasional care. These services are keen to come into the NQF, and children in these services must also have the best quality education and care.

Many of Community Child Care Co-operative (NSW)'s members have been dissatisfied with aspects of the implementation of the NQF. There was not enough support for services. Not enough time or funding for them to access professional development. The assessment and rating processes may not yet always be accurate. Services faced information overload. Smaller services needed more support to review policies. The workforce issues have not received



enough attention by the Commonwealth Government. All services types in scope of the NQF should have access to funded professional development.

But these are problems of implementation, not problems with the ratios and qualification changes that are being implemented. And it is not too late to change these issues.

We do not need to throw out the baby with the bathwater.

When you look at where the pressure is to delay the NQF, you need to use that old maxim, follow the money. There is no doubt that quality costs. More educators and more highly qualified educators will increase costs for services. And increased costs mean smaller profits and surpluses. It is no wonder that on the whole, community-based services support the NQF and its current timeframe. Many community-based services have been meeting the NQF mandated ratios and qualification requirements before they were needed. Maybe this is why they are being rated more highly?



If the Inquiry had been
asked to prioritise the child

Would we work out how to make the system even better?

Workforce

We need to resolve the workforce problems of the education and care sector. These workforce problems stop the sector from delivering the highest quality education and care to children.

- ◆ The Productivity Commission knows the workforce problems that beset this sector: the Early Childhood Development Workforce Report of 2011 reported on many of these. Alas, the recommendations of the report have not yet been taken up.

These issues include:

Recruitment

- ◆ Anecdotally, Community Child Care Co-operative (NSW)'s members tell us that staff recruitment is an issue, especially in rural and remote NSW communities. Anecdotal evidence tells us, the problem is worse when services are trying to recruit directors or co-ordinators or qualified teaching staff, and is more difficult for long day care services than it is for preschools.
- ◆ The Education and Care Services Regulations specifies the number of teachers required to be employed in each early education and care service. NSW services over 29 places have had to employ around one early childhood teacher for around each 30 children for a long time preceding the start of the new national regulations. Teacher shortages have meant the previous regulator, the Department of Community Services has had to have a policy since 2002 to allow services an interim exemption where services are unable to recruit early childhood teachers. Community Child Care Co-operative (NSW) understands that the number of services that have had exemptions under this policy remains steady at slightly under 200 at any one time. We understand that this number has not yet jumped under the National Quality Framework.
- ◆ The shortage of qualified teachers also affects the capacity of existing teaching staff to leave their services for professional development, for personal leave, and to attend meetings. Our members tell us that they cannot recruit casual teachers within their community to enable permanent teachers release from their role. As the Regulation specifies the number of teachers who must be on site at any point in time (for the number of children on the premises) teachers are not able to leave the premises without breaching the Regulations. The lack of capacity to recruit casual teachers is generally thought to be because a casual teacher can command higher wages working in the Government or



independent school sector in NSW than they can in an early education and care service.

- ◆ Various government initiatives which come into play in the next few years are considered by the sector to be likely to increase the demand for teaching staff and will therefore exacerbate the current shortages.
- ◆ The Commonwealth and NSW Government's implementation of the Universal Access agreement on early education and care will also create increased demand for teaching staff, and for more highly qualified teaching staff.
- ◆ Anecdotally again, NSW appears to have an ageing teacher population. (The 2010 Workforce census does not reveal age by qualification but shows that in NSW preschools, for example, 63.4% of educators are over 40 years old¹¹).
- ◆ This increased demand for early childhood teachers is accompanied by a contraction of the number of courses offered by tertiary institutions focusing specifically on training early childhood teachers. Although some institutions are now trying to refocus on supplying specific early childhood courses, student demand has been for courses which would qualify students to teach 0–12 year olds as this allows graduates to teach in the more lucrative public school sector. Specific 0–5 year courses only qualify graduates to work in early education and care services.
- ◆ Supply of early childhood teachers wishing to work in early education and care services and students enrolling into undergraduate programs has contracted steadily over the last years because of the issues around the poor status and standing of the early childhood teaching profession and the lack of pay parity between early childhood teachers and their counterparts in infants and primary schools as well as the low wages available for teachers in general. Wages for early childhood teachers in NSW are up to 20% less than for their counterparts in the public and independent schooling system.
- ◆ Within university courses there is an emphasis on sophisticated and important theories and concepts of pedagogy. Low entry scores may hamper undergraduates' understanding of these issues. With less periods of practical experience in programs students cannot make sense of the conceptual framework and yet also graduate without the technical and practical skills required to engage learners and facilitate appropriate group dynamics.
- ◆ In NSW, university entrance cut off marks for early childhood teaching courses are low and yet courses continue to have vacancies at main round university offer time, showing that despite the low entrance marks required, demand for entrance to the courses are low. The following table shows 2010 and 2014 Australian Tertiary Admission Rank cuts offs for early childhood teaching degrees in NSW tertiary Education. The median ATAR for entrance to an early childhood teaching degree was 69 in 2010 and in 2014 it has dropped to 68.

11 http://docs.education.gov.au/system/files/doc/other/national_ecec_workforce_census_2010_data_tables.pdf



ATAR cut-offs for Main Round offers

Institution	Qualification	2010 ATAR cut-off	2014 ATAR cut-off
Australian Catholic University	B Ed (Early Childhood & Prim) Canberra	59.10	59.35
	B Ed (Early Childhood & Prim) Strathfield	80.00	65
	B Ed (Early Childhood & Prim) North Sydney	73.05	60.1
Charles Sturt University	B Education (Early Child&Prim)	70	70
Macquarie University	B Ed (Early Childhood Ed)	75.05	75
Southern Cross University	B Education (Early Childhood)	68	68
University of Canberra	B Education	65.00^	68
University of Newcastle	B Teach(Prim)/B EarChSt Newcastle	66.1	62.15
	B Teach(Prim)/B EarChSt Central Coast	63.5	60.65
University of New England	B Ed (Early Chld & Primary)	NA	77.1
University of Sydney	B Ed (Early Childhood)	80.7 *	79.1*
University of Wollongong	B Education The Early Years	72.00	70

* Third lowest ATAR to get into any course at Sydney University.

^ In 2010 this was a B Ed(Early ChildhoodTeaching)

Low wages

- ◆ Early education and care services, especially community-based services are generally heavily reliant on government funding. Due to this, no true labour 'market' exists in the sector – i.e. a shortage of supply does not mean increased wages and better conditions which in turn would attract more people into the early education and care workforce. Services do not have the capacity to increase wages so the market cannot achieve balance. Increased wages requires increased funding and/or increased costs to parents. This is particularly the case for teaching staff.
- ◆ Community-based parent management committees are often unwilling to increase their staff wages because they know that this will increase their fees, and for profit-centres often cite the possible cost increases to parents as a way of fighting against increased pay in the sector.
- ◆ Services, especially preschools, note that students on teaching practicums report that whilst they love working with the 0–5 age group, they will be applying for jobs within the school sector because of higher wages. In NSW, the Independent Education Union reports



that teacher wages are up to 20% lower in preschools and long day care centres than they are in Department of Education, Catholic systemic or independent schools.

- ◆ The injustice and effects of the low pay in the industry are felt markedly in the loss of qualified staff after maternity leave. Teachers and educators cannot afford the cost of early education and care for their own children, because fees, especially in metropolitan areas such as Sydney are higher than their wages.
- ◆ Unless we pay early childhood teachers and educators appropriately, we will not have the sustained relationships and intentional interactions with children essential for children's cognitive and emotional development.
- ◆ Wages are not just low, they are also fairly static. Community-based education and care services tend to outlay around 80% of their income on wages. (The percentage is less in for-profit services.) Because of this, small increases in wages have disproportionate effects on budgets.
- ◆ The sector's recruitment and retention is hampered by lack of pay parity and lack of pay equity. This is true even in recruiting for casual staff.
- ◆ A 'Think Tank' was convened in April 2003 by the Commonwealth Minister for Children and Youth Affairs, to address perceived workforce issues in the childcare sector. The aim of the Think Tank was to develop strategies for addressing current issues affecting the status and standing of the childcare workforce. In their report, the Think Tank recommended that "the Commonwealth support the principle that pay and conditions of the early childhood workforce be commensurate with the value placed by the community and government on the skills, roles and responsibilities of the workforce and the value to the nation of high quality Early Childhood Services."¹² Little real changes in pay and conditions have been achieved since this time.
- ◆ The NSW/ACT Independent Education Union has been running a Pay Parity campaign for early childhood teachers for the last few years. Early childhood teachers working in community-based preschools and long day care centres earn up to 20% less than teachers working in state government preschools and independent and Catholic primary schools. A full time early childhood teacher can earn \$14,000 less per annum than other teachers. The IEU states that "The majority of early education and care services are highly reliant on government funding. Preschools only receive State Government funding. Department of Education preschools, and preschools operated by independent schools, pay their teachers at the same rate as teachers employed in state primary schools. Community-based preschools and long day care centres cannot afford to do this, which in turn, allows private long day care centres to employ their teachers at lower rates."
- ◆ Services, especially rural services, report on difficulties in recruiting casual teaching staff because any teachers who do not have full time jobs in their communities can earn much more as a casual teacher for the Department of Education than preschools and long day

12 Department of Family and Community Services, 2003; p. 7



care centres can afford to pay. Services also report on high turnovers of untrained childcare workers who can earn higher wages in other jobs.

- ◆ United Voice has also been running a campaign to rectify the underpayment of educators for the last few years, stating that a Certificate III educator is paid \$10 less per hour than workers with comparable qualifications. United Voice have now applied for an Equal Remuneration Order for educators in the sector on the grounds of historical gender based underemployment. They state that “Educators’ work has historically been underpaid because it has been viewed as ‘women’s work’, drawing on skills that were traditionally unpaid as they were performed in the home. Today, childcare is professionalised and its quality is assessed in accordance with high standards. Educators deserve a professional wage for the professional work they do. It is not in children’s interests for this gross underpayment of educators to continue. The low pay rates and consequent crisis in retaining and attracting staff are the greatest threat to the ability of the sector to provide quality, affordable and sustainable education and care to children.”

Low Status and Standing

- ◆ Despite recent Commonwealth intervention in workforce issues, (eg removal of HECS for rural and remote teachers, removal of TAFE fees for early education and care courses, additional university places) there has been little intervention in the major issue of the early education and care workforce status and standing within the community. Attraction of school leavers and other new workforce entrants and retention of existing workers is difficult when staff employed in education and care services are underpaid, undervalued, and have less tolerable conditions than other industries and even other education sectors. The fact that 99% of the sector is female impacts on status and standing issues. Considerable work is required to promote and enhance the status and professional standing of early childhood teachers and to attract young people to a career in early childhood education.
- ◆ Even parents who are currently using early education and care services, and teachers from other sectors are often unaware that “childcare” staff may be university educated teachers. The use of the word “childcare” by governments especially reinforces the view that the main task that educators carry out is “caring” for children.
- ◆ The early childhood teaching workforce in NSW is highly feminised and males are only a minor proportion of all workers. There is no specific data analysis being undertaken for childcare workers in NSW but it is generally accepted that around 97% of the Australian childcare workforce is female (as reported by Warrilow, *et al.*, 2002; p. 42).
- ◆ The NSW early childhood teacher workforce is more casualised than similar sectors. The reliance on casual labour is an important factor because it demonstrates the precarious nature of the work and or the lack commitment to long term employment in the industry. The presence of a significant proportion of casual workers in a centre places greater pressure on permanent staff in ensuring the centre is able to maintain consistency of education for children. Because services will always need casual labour, in the same way



schools do, there needs to be more done to formalise the employment of casual staff by the sector as a whole, in the same way in NSW the Department of Education employs a casual workforce to supplement their permanent one.

- ◆ Many early childhood teachers in NSW are employed in small workplaces and are often isolated from others in their profession. At services providing placement for more than 29 children there may be between 3 and 20 employees.
- ◆ It is not just the workforce that has low status. If children were truly valued and the role of the early education and care profession in nurturing and educating children was truly understood, articulated and affirmed, retention of staff in the sector would be increased. Until recently, the importance of education in the early years was not articulated by governments. Although improvement has been made in this area in recent years, there needs to be consistent messages by governments and the sector of the value of early education and care to individuals, families and society as a whole.
- ◆ We must pay early childhood teachers in an equitable way to teachers in primary and secondary education in order that the status and standing of the early childhood education and care workforce is raised. There needs to be pay equity between workers with the same qualifications within the sector regardless of which service type they are working in.

Lack of career paths

- ◆ The essential nature of the industry, where employers are small and fragmented, with the majority being in stand-alone preschools and long day care centres, means that career paths are non-existent or dependent upon innovative and progressive practices within independent settings.
- ◆ Many individuals start working in the early education and care sector with the intention to teach – as they achieve longevity in the profession and as it is the only route through which to increase pay levels, they eventually become involved in management of services. Additional burdens without appropriate courses and skill upgrades makes for an ineffectual and time poor management workforce.
- ◆ The lack of clearly defined career pathways means that new entrants to the sector and more senior staff members are both confronted with the lack of career options and are likely to seek employment in other industries where progression is possible.
- ◆ There needs to be alternative pre-service and post graduate qualifications that allow staff to develop more than the soft skills of leadership and pedagogy and focus upon policy/ regulation/public sector management. We need streams of career development so that we don't have reluctant managers and reluctant teachers within the sector.

See Case Study 5 (page 49).



Shared Responsibility

We need to give responsibility for all early education and care to one layer of government . We believe the Commonwealth is best positioned to undertake this responsibility.

- ◆ Our early education and care system has evolved over time – much of it before the importance of early education was known for children. Much of it has evolved in response to policy designed to promote parental workforce participation rather than policy designed to ensure each child gets an early education.
- ◆ Since the implementation of the National Quality Framework in 2012, we have the most streamlined early education and care system we have ever had , but we still have a legacy whereby children accessing those services that are seen as mostly providing ‘care’ are funded by the Commonwealth Government whereby those children who access services that are seen mostly as ‘early education’ are mostly funded by the state and territory governments. This means that the early education experience of children differs dramatically depending on both the service type they attend and the state in which they live.
- ◆ The implementation of the National Quality Framework has bought the ‘messiness’ of the system into closer relief. All early education and care services now use the same curriculum framework (Early Years Learning Framework) and must meet the same quality standards (National Quality Standard), but there are substantial differences in how these services are funded and administered because of the silo they emanate from (early education or care).
- ◆ One of the fallacies that has grown because of the historical separation of education and care is that preschools and kindergartens, because of their traditionally shorter operating hours, do not contribute towards women’s participation in the workforce. NSW community-based preschools report that the majority of their parents work whilst their child is attending preschool. One parent either works shorter hours or after preschool care is handled by other family members, other parents or through use of before and after preschool care or out of school hours care services. The 2014 Report on Government Services shows that in NSW 53% of children in preschools from two parent families had both parents in employment compared with 78% of children in long day care services.¹³
- ◆ Community Child Care Co-operative (NSW) believes that we need differing types of care to suit the choices of individual families. Some families prefer for children to be in formal early education for fewer hours while they are young and arrange their work patterns to take this into account. Others have no option but to seek more extended hours. Both need service types that meet their needs while providing early education to their children. It is important that public policy does not preference full time longer hours of education and care over shorter hours. See Case Study 3 for a demonstration of extended hours in a preschool setting.

13 http://www.pc.gov.au/_data/assets/pdf_file/0012/132303/rogs-2014-volumeb-chapter3.pdf (Table 3A.20)



- ◆ The issue of hours of early education has particularly become noticeable in NSW since the signing of the Partnership Agreement on Early Childhood Education. The promise that each child would receive access to 15 hours early education per week has caused a range of problems, despite being founded on questionable analysis of research about the best 'dose' of early education for children. This has become an issue in NSW because our traditional preschool hours in both community-based and State Government run preschools are 6 hours per day. Prior to Universal Access services often ran 3 day 2 day programs – some children would receive 18 hours and some 12. In attempting to meet the 15 hour demand community-based preschools surveyed parents and found in general that they did not want either extended days (7.5 hours per day) or rotating patterns of attendance. Families were happy with existing attendance patterns.
- ◆ Some states don't invest as much in early education as others. This means children in some states and territories miss out just because of where they are born. It is no secret that NSW is in many ways, a failing state when it comes to early education and care investment. It is ironic because we have always had higher quality standards: our regulations have always demanded more early childhood teachers and better educator:staff ratios than other states and territories. We have a high quality early education and care system, and, sadly a badly funded one. Our state has 100 preschools delivered as part of the education system, 759 delivered by the community sector and our long day care services have long delivered early education as well as care. When there was concern about the differing fee charges of the mostly free government preschools compared to the community-based preschools, the NSW Government, inexplicably, decided to impose fees on the state preschools.
- ◆ Because of this lack of investment NSW has:
 - the most expensive preschools in Australia, and the lowest participation rates
 - just removed the right of three year olds to access funded preschool
 - unclear expenditure of Commonwealth Universal Access funding.
- ◆ We have duplicate inclusion systems for our state and federally funded early education and care.
 - There are different access programs for children with additional needs depending if they are accessing state or federally funded early education and care. This means a duplication of administration systems – this ultimately means less money goes to actually supporting children with additional needs.
- ◆ We have services that miss out on professional development.
 - In NSW despite being part of the National Quality Framework, our community-based preschools cannot access subsidised professional development offered by the Professional Support Co-ordinator as this is only accessible by Commonwealth Approved services. As the NSW State Government makes little ongoing provision for professional development for preschools, these services often miss out.



DO THE MATHS

What does preschool cost?

Families' average weekly spend on preschool
per child, after subsidies

NSW \$84

QLD	\$64
ACT	\$44
VIC	\$37
WA	\$23
SA	\$23
TAS	\$12
NT	\$4



State & Territory Governments fund preschools. Because the NSW Government does not provide as much funding as other states and territories, **NSW families pay more for preschool.**

Source: Productivity Commission's Report on Government Services 2013 (Table 3A.27)

**COMMUNITY
CHILD CARE
CO-OPERATIVE**
LTD. (NSW)

Produced by Community Child Care Co-operative NSW





STATE OF THE NATION

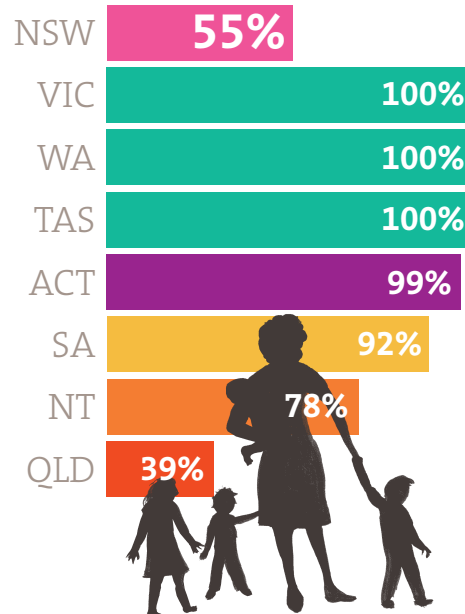
Children at preschool*

programs funded or provided
by State Governments

NSW

has the
second lowest
enrolment rate
in Australia

***in the year before school**



Source: Productivity Commission's Report on Government Services 2013 (Table 3A.14)



Access

All Australian children should be able to access early education – additional support needs to be given to ensure this actually happens.

Despite the benefits of early education being well known, some children do not participate at the same rate. The Commonwealth has always had programs in place to ensure that these children can access early education (such as the inclusion support program, bicultural support program, funding to Budget Based Funding services) but all suffer from underfunding. A simple example is that the funding support on offer via the Inclusion Support Subsidy, to enable services to include children with additional needs does not cover the full cost of the additional worker that needs to be employed to make such inclusion possible.

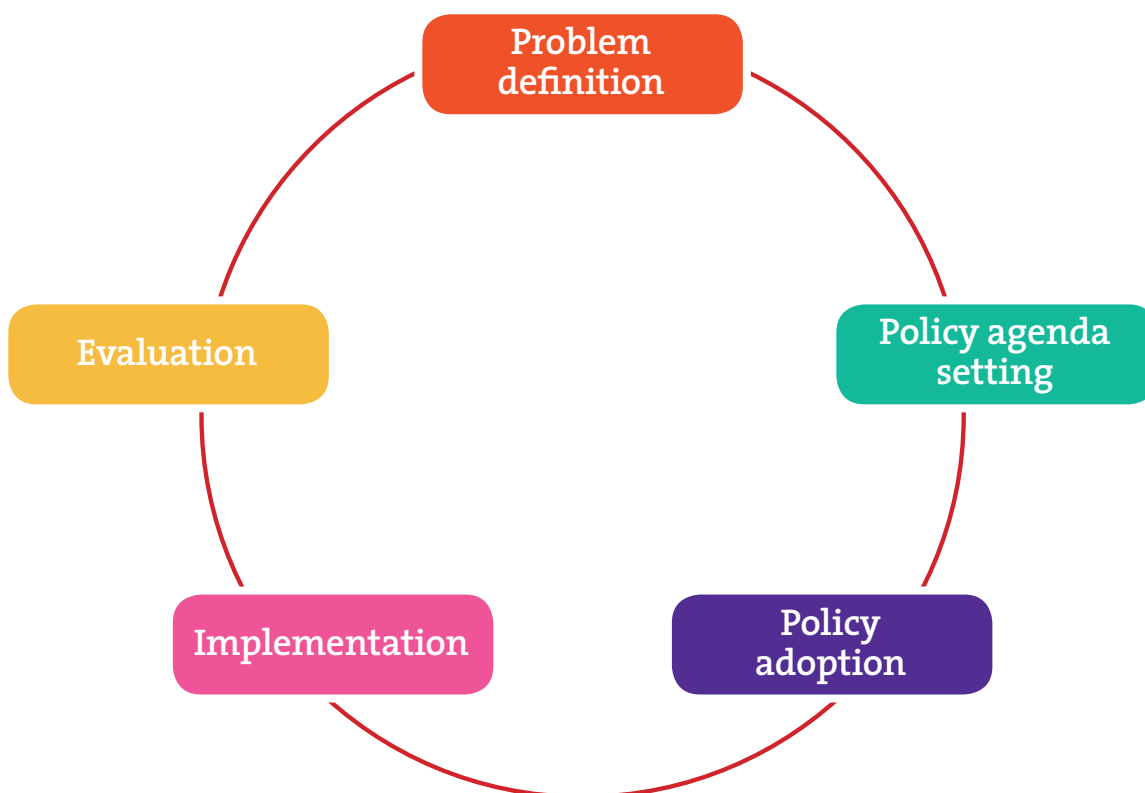


If the Inquiry had been asked to prioritise the child

Would we make sure we got it right at each stage of the public policy cycle?

At some parts of the policy cycle in regards to early education we excel, in others we appear to falter. We need to ensure that we have it right at each stage.

Development of public policy moves through a number of distinct, generally acknowledged stages.



Well developed policy needs sound policy development and instruments for implementation. Current public policy on some aspects of early childhood has been comprehensively developed with attention to international and local research and in consultation with a broad range of experts, policy makers and practitioners. It has also followed the familiar course of any public policy development with internal and external obligations and pressures, internal government policy and ideology, public opinion, economic and cultural direction and, as a result, workforce needs.



- ◆ **Problem identification** initially occurred with the realisation that Australia was at 'the bottom of the ladder of OECD countries in terms of investment in early childhood education'¹⁴ and that we were well down the list in terms of quality.
- ◆ **Agenda setting:** In the current form the policy agenda holds a promise on purpose and goals for children and families of Australia. These include:
 - The child is the centre of policy and service delivery;
 - National Quality Standards will integrate quality in education and care in a range of early childhood settings;
 - Children will receive consistent, quality early childhood education and care regardless of where they live;
 - A national learning framework will ensure successful participation in schooling,
 - A professional community will engage together to deliver this.

It is universally agreed that children's well-being is paramount in the agenda as is their right to enjoy a role as citizens, both now and in the future. It is also agreed that productivity and a strong workforce agenda (both within the sector and broadly) is critically important.

- ◆ **The policy adoption stage** of the cycle has included changes to legislation, partnership agreements signed by State and Territories and an agreed staged phase in of policy.

Missing at this stage however, is bipartisan policy agreement. It is unable to transcend the political cycle and is therefore under threat by political and ideological change. As a result well developed, comprehensive research based policy comes under threat at the critical stage of implementation.

- ◆ **The implementation stage** is the riskiest stage of policy change and introduction.

An implementation strategy will ensure success and this systematic approach includes;

- Adequate resources in relation to funding and for communication, professional learning and workforce development;
- Ensuring policy is consistent with other public policy and considering consequences of policy to reduce unintended consequences;
- Encouragement of a positive response from all affected by its introduction;
- Co-ordination of ongoing feedback and consideration of feedback and evaluation for future change.

14 <http://www.workforce.org.au/media/38987/deewr%20big%20picture%20presentation%2015%20september%202009.pdf>



If the Inquiry had been asked to prioritise the child

- ◆ **The evaluation stage** is where we conclusively see if we have made the right policy choices. These judgements are made when there are;
 - Agreed indicators of progress;
 - A whole of government/s reporting framework; A regular, biennial, national report on the state of the nation's children that maps progress toward goals, goal lags and investigates the reasons for lack of progress.

Much of this process has been methodically planned and addressed but Community Child Care Co-operative (NSW) believes weaknesses have appeared in a systematic implementation strategy and in the evaluation stage. Mandated reporting by state governments can be ambiguous and politically motivated and the federal Government is reluctant to hold them to account.



If the Inquiry had been asked to prioritise the child

Would we continue to make some policy snafus?

We make some policy snafus that work against children getting access to quality early education.

Universal Access is one example

- ◆ On 29 November 2008, the Council of Australian Governments endorsed a major National Partnership Agreement on Early Childhood Education. The aim of the agreement was to ensure that every child has access to a quality early childhood education program delivered by a university-trained early childhood teacher*, for 15 hours per week, for 40 weeks per year, in the year before they start school. It was to be fully implemented by mid-2013.
- ◆ When NSW signed its Bilateral Agreement with the Commonwealth Government under the National Partnership, we had:
 - one of the highest number of early childhood teachers in the country;
 - the lowest rates of preschool program participation in state funded preschool programs; and
 - the highest preschool fees.
- ◆ The NSW Government committed the state to 26, mostly pre-existing, strategies in pursuit of Universal Access. Two stood out:
 - a substantial increase in per-child funding rates for community-based preschools; and
 - a teacher costs contribution scheme.
- ◆ The Commonwealth Government was critical of the progress in NSW. When the Commonwealth announced the release of funding owed under the National Partnership, there was no report or funding announcement for NSW. The withholding of funding was not surprising to Community Child Care Co-operative (NSW), given the underspending of the early education and care budget in NSW in the previous 12 months.
- ◆ The Commonwealth announced a \$1.1 billion extension of the program for three more years. The extension of the program obviously means that NSW is not the only state or territory that has not yet achieved universal access.

The rise of corporate provision could be another one

- ◆ When ABC Learning went into receivership in 2008 it cost the Commonwealth \$56 million to keep the centres operating till buyers were found for them. At the time it went under, ABC Learning provided almost 20 per cent of Australia's childcare. At the time of the



bailout the Commonwealth Government made strong noises about ensuring that they would put in place effective measures to ensure that never again would so many families' childcare be put at risk.

- ◆ In 2014 Australia has two new newly listed corporate providers of early education and care. G8 Education, holds around 3% of the market with its 210 centres. The second publicly listed company, Affinity Education operates 68 centres.
- ◆ The current share prices of both companies suggest that both companies will seek to expand further.



If the Inquiry had been
asked to prioritise the child

And become distracted by the wrong things

...Like flexibility

The majority of stand-alone and council run community-based not-for-profit centre based education and care services operating in NSW today operate on traditional hours. Preschools generally operate from 9am to 3pm with some offering extended care for an additional fee before or after the preschool day. Long day care centres are open the 8+ hours mandated by their receipt of CCB on behalf of families, with probably the majority operating 10–12 hours.

The average amount of time that children spend in long day care per week is currently 27.4 hours according to Child Care & Early Learning in Summary.¹⁵ This accords with research that Community Child Care Co-operative (NSW) has conducted in both the Leichhardt and City of Sydney LGAs within the last year where we found that the average amount of long day care being sought by families for their children was 3 days in the City of Sydney and 2.5 days in Leichhardt.

Community Child Care Co-operative (NSW)'s members report that in their experience, demand for early education is price elastic – when fees go up demand decreases and vice versa. This is perhaps more notable in the preschool sector than in long day care services. Members report however that families try and ensure that their children do not spend extended hours and days in early education and care services, and are prepared to reduce working hours to ensure that this does not happen.

Families surveyed in the Leichhardt and City of Sydney reported a level of 'guilt' about having their child in structured or formal care for too many days a week. Even families where both parents worked full time, reported using other family members, friends or babysitters or nannies on some days so their child was able to stay at home.

¹⁵ http://docs.education.gov.au/system/files/doc/other/child_care_early_learning_in_summary_march_quarter_2013_o.pdf



If the Inquiry had been asked to prioritise the child

Would we choose to invest more?

The best thing about investing more money in early education is that it truly is the gift that keeps on giving. When you invest in early education it pays for itself over time because:

- ◆ it increases maternal workforce participation rates – the economic activity participation generates offsets the cost;
- ◆ increases in family income serve to increase a child's income earning potential;
- ◆ it directly increases the income the child will earn over their lifetime;
- ◆ the inherent increase in individual skills serves to increase our country's productivity; and
- ◆ it reduces welfare and other social expenditure such as special education, crime, teen pregnancy, etc.

The work of Professor Heckman proves all of this beyond doubt. That is why Australia's National Early Childhood Development Strategy¹⁶ is based on his work. It quotes his dictum that higher investment is needed in early childhood education and development because the return 'far exceeds the return on most projects that are currently funded as economic development'.

And when a Nobel Laureate economist who has chosen to spend his life convincing the world that greater investment is needed on early education says that investment on early education exceeds the return on most other economic projects, as a country, Australia needs to listen.

Right now Australia's spends less on early education relative to GDP than other countries do. We spend just 0.1% of GDP on early education. The OECD average is 0.6%.¹⁷

Where that expenditure comes from is different as well. In Australia 56% of expenditure came from government. The OECD average is 82%. Parent fee payments are where the difference lies.

The graphic overleaf shows how that underinvestment translates to enrolment rates of 4 year olds in early education. Australia lags behind higher spending countries.

The Productivity Commission has been given a hard ask; to only consider recommendations for future policy settings within current funding parameters.

But it can make a strong point that Australia must increase its expenditure on early education and care because of the benefits to children, women and Australia's productivity.

But it must also make sure that given the constraint that has been placed on it, that any recommendations it makes do not place further strains on an already underfunded system.

¹⁶ http://www.coag.gov.au/sites/default/files/national_ECD_strategy.pdf

¹⁷ http://www.oecd.org/edu/Australia_EAG2013%20Country%20Note.pdf



If the Inquiry had been asked to prioritise the child

And would we work out the best way to spend the investment?

Australia spends a lot of money on early education and care but it is still less than other countries and economies spend. The Commonwealth alone spends over \$5 billion per year and this amount has tripled in the last decade.¹⁸ State and Territory expenditure is on top of this amount. As are the fees that families contribute to the cost of education and care.

Given the amount that is spent, and the importance of what it is being spent on, it makes sense to ensure that we obtain what President Obama¹⁹ has called the ‘best bang for our educational buck’?

The funding system of early education and care in Australia lacks comprehensive and integrated design. It has grown out of subsequent political and policy decisions made with little reference to what was already in place, and little if any reference to good public expenditure principles.

We have:

- ◆ Child Care Benefit – a means tested payment to families that can be received by an early education and care service on their behalf to reduce fees.
- ◆ Child Care Rebate – a non means tested payment to families to reduce by 50% out of pocket expenditure on early education and care by families that can also be received by a service. It is capped at \$7,500 per annum.

Over \$5 billion will be spent on these two payments alone in 2013/2014.

We also have:

- ◆ A range of payments directly to early education and care services under the omnibus title Community Support Program.
- ◆ \$129.3 million was spent on through this program last year.²⁰

So only 2.5% of early education and care expenditure was funding directly to the services that provide early education and care.

The Commonwealth has chosen to fund families directly based on two assumptions:

- ◆ It gives families ‘choice’ of service type
- ◆ That the market will ensure that supply for early education and care will meet demand.

Community Child Care Co-operative (NSW) argues that those assumptions have been proven faulty.

18 http://www.mychild.gov.au/documents/docs/Child_Care_In_Australia.pdf

19 <http://www.msnbc.com/hardball/obama-pushes-universal-preschool-ga-gop-e>

20 http://www.mychild.gov.au/documents/docs/Child_Care_In_Australia.pdf



- ◆ Families cannot have a choice when demand exceeds supply. Families could only ever choose between services if there were vacancies in services for them to 'choose' between. This is counter to good business practice. Vacancies do not equal surplus or even break even. Margins are so small in early education and care that having vacancies makes your service unviable. Consequently no service deliberately runs with vacancies.
- ◆ The market in Australia has not met the demand for early education and care. Competition has not led to services being started where demand is, because profit margins are slim and cannot always be sustained
 - in areas where costs are high (e.g. in inner city areas where property is expensive and in provision to babies); and
 - areas of socio economic disadvantage where fees cannot match costs.
- ◆ It is worth noting that some areas, conversely have an oversupply of services –often in socio-economically disadvantaged areas where land is cheap. This over supply can lead to cuts to education and care quality as operators struggle to survive amongst fierce competition and closure of community-based not-for-profit services in these areas.
- ◆ Slim profit margins lead to calls to “cut the red tape” under the guise that it is the cost of this that is hampering the market from meeting demand. And calls to increase CCB and CCR to make provision more profitable.
- ◆ Because demand outstrips supply, relying on market provision has not made early education and care more affordable. Prices rise each year. Private operators blame the cost of that red tape, but in reality, it is because:
 - There is no competition for customers to force prices down. We have a seller's market.
 - The existence of the CCR has an inflationary effect on education and care prices by cushioning the impact of price increases. 50% of any increase in fees is born by the government. This makes higher fee increases possible.

But what if provision of subsidies was not the main way of funding early education and care provision?

Funding services directly would give government a policy lever over:

- ◆ prices
- ◆ equity via accessibility for those on low incomes and other groups that traditionally miss out
- ◆ service quality
- ◆ adherence and design of regulations.

If, as a country, we planned where we needed services, and then funded them directly, with an increased provision by not-for-profit providers, we may just get the quality early education provision that our children and our families need.



If the Inquiry had been asked to prioritise the child

Would we would learn from what other countries have done?

One of the best places Australia could look to in the reform of our early education and care system is Finland. Finland's system of early education and care has some similarities to ours in Australia. Families can choose to place their child in:

- ◆ Municipal day care
- ◆ Private day care,
- ◆ Family day-care
- ◆ Or to look after their child themselves.

But there are key differences:

- ◆ Since 1996, all Finnish children under school age (7) have had, by law, a right to childcare regardless of family income or parental employment;
- ◆ For all types of care (including care by the family) financial assistance (depending on the family income) is guaranteed;
- ◆ Although day care costs depend on the size of a family and the family's income costs have a ceiling and increase degressively for families that have more than one income;
- ◆ Parental contributions to the cost of care are capped at about 15% of total costs;
- ◆ Care is free for low income families;
- ◆ Meals and healthcare are included in the cost of care for all children;
- ◆ Family day care is offered in a child minder's home but a child minder is a qualified educator who is an independent employee paid for by the local government.
- ◆ Local governments have the responsibility of ensuring there is enough care for their residents – they can do this by choosing to set up day-care centres themselves (the majority of provision is this way) or in some regions they 'buy' places in private centres. This enables the local government to control the quality and the cost of care while ensuring sufficient places for all children.
- ◆ Local governments must follow national policy on provision in areas such as universal right to access, fee levels and quality requirements such as staff-child ratios, curriculum guidelines, staff qualifications and the requirement of parental involvement in the program.
- ◆ Only a very small percentage of care is fully private but these services are eligible for subsidies and families receive financial support to use these services.



If the Inquiry had been
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Would we learn from what we have already discovered?

Community Child Care Co-operative (NSW) is aware that the Productivity Commission would have undertaken extensive literature reviews as part of its Inquiry.

However, in view of the ongoing piecemeal reviews that the early education and care sector has faced in the last decade or so, we would like to refer you to some of Community Child Care Co-operative (NSW)'s favourite reviews and reports in case they have escaped your research.

- ◆ **Investing in the Early Years – A National Early Childhood Development Strategy COAG 2009** http://www.coag.gov.au/sites/default/files/national_ECD_strategy.pdf
- ◆ **National Partnership Agreement on Early Childhood Education** http://www.federalfinancialrelations.gov.au/content/npa/education/early_childhood/national_partnership.pdf
- ◆ **Regulation Impact Statement for Early Childhood Education and Care Quality Reforms** http://www.coag.gov.au/sites/default/files/policy_overview_RIS_early_childhood_development.pdf
- ◆ **National Partnership on Indigenous Early Childhood Development** http://www.federalfinancialrelations.gov.au/content/npa/education/ctg-early-childhood/national_partnership.pdf
- ◆ **National Partnership Agreement on the National Quality Agenda For Early Childhood Education and Care** http://www.federalfinancialrelations.gov.au/content/npa/education/early_childhood/quality_agenda/national_partnership.pdf
- ◆ **What about the Kids? Policy Directions for improving the experiences of infants and young children in a changing world** http://www.csu.edu.au/_data/assets/pdf_file/0018/227313/What_about_the_kids_full.pdf
- ◆ **The Politics of Australian Childcare: Philanthropy to Feminism and Beyond** <http://www.cambridge.org/au/academic/subjects/sociology/sociology-general-interest/politics-australian-child-care-philanthropy-feminism-and-beyond-2nd-edition>
- ◆ **Starting Strong II: Early Childhood Education and Care** <http://www.oecd.org/edu/school/startingstrongiiearlychildhoodeducationandcare.htm>
- ◆ **Re-imagining childhood: The inspiration of Reggio Emilia education principles in South Australia** <http://www.thinkers.sa.gov.au/rinaldiflipbook/files/inc/d99b4762d1.pdf>
- ◆ **The Heckman Equation** <http://heckmanequation.org/content/resource/invest-early-childhood-development-reduce-deficits-strengthen-economy>
- ◆ **The Community Child Care Co-operative (NSW)'s Productivity Commission Inquiry Animation** <http://www.youtube.com/watch?v=L4XGLG2fWVWk&feature=youtu.be>



If the Inquiry had been
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Would we get it right?
Because it is so important.
for our children... and for our
country.



If the Inquiry had been asked to prioritise the child

Case Studies

CASE STUDY 1

In 2013 Community X in northern NSW faced a situation where the existing operator of the local preschool, a church, decided it no longer wanted to be the provider of the preschool and wanted to reclaim the premises from which the preschool had been operating from for other purposes. This preschool had been operating by this provider and in this location for around 30 years. The parents of the community formed an organisation and elected a committee that were prepared to manage the preschool and find new premises for it to operate from.

The committee was surprised to find that a) there was no precedent for moving the state funding that the existing service had been receiving to a new provider and b) they could not access capital funding to purchase a building to establish their preschool and c) there was no capital funding available from anywhere to assist them to undertake modifications to any property they leased for the service.

After an exceptionally long and complex public campaign, which would not have worked without the absolute determination of this community that its children would not miss out on the benefits of a preschool education, and the support of many politicians and peak organisations including our own, this story had a happy ending. The service eventually negotiated a provider and service approval with the NSW Regulator and successfully argued for operational funding. They would still have been without premises if it was not for a small (\$5.2 million) one-off capital funding round by the NSW State Government which enabled them to get a capital grant towards the cost of building a new service on land donated by the local council.

The capital grant that this service received was \$384,881. The ongoing funding under the NSW Government's Preschool Grants program will be in the vicinity of \$80,000 per annum, depending on usage – but this outlay is matched by the savings that the State Government will make through no longer having to fund the old church managed preschool.

Community X will, (unless there are unforeseen government roadblocks ahead) continue to have an early education and care service for children in their community for the foreseeable future. This service is licensed for 30 children per day. What would have happened to those children if the community was determined to ensure they had one? In a country that is spending \$5 billion per year on early education and care from the Commonwealth alone, why was getting access to that additional \$400,000 to enable this to happen so difficult?

This is an example of where a community, properly resourced, can assist the government to achieve policy objectives in a cost efficient manner. It compares very favourably with the Australian Government's allocation of an average of \$1.7 million in capital funding for each of 35 new centres in 2008 under the New Early Learning and Care Centre program which was for new services to be built on community or state government land.



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CASE STUDY 2

In 2009 the NSW Preschool Growth Program was established by Community Child Care Co-operative (NSW) following its successful tender to undertake the growth phase of the NSW State Government's Preschool Investment and Reform Plan (PIRP) for the majority of NSW. The aims of the Growth Phase were to create an additional 5,250 new community-based not-for-profit preschool places across NSW for 10,500 additional children to attend preschool. The PIRP Growth Phase was designed to facilitate recurrent funding to preschools to expand the availability of preschool programs in NSW.

Community Child Care Co-operative (NSW) learnt a lot during this project about what stopped preschools from expanding in areas of high demand. A large barrier, was of course access to capital. This brokerage program saw \$22 million distributed to NSW preschools, of which 60% went on capital funding to enable preschools to open up more places. In addition to needing capital funding, a range of barriers to growth were discovered which could be addressed via small injections of funding to these services which typically had small if any capital reserves. A further \$2.7 million was expended on 'barrier funding' to preschools which were assessed as suitable to receive a one off funding grant towards overcoming an identified barrier or series of barriers that prevented these not-for-profit community-based preschools from realising preschool growth.

This barrier funding facilitated a range of projects including community engagement strategies, fee reduction programs and funding of strategic investigations of possibilities for growth through space assessments, drafting of building plans and capital works planning, minor capital works, transport initiatives, community engagement activities and the delivery of fee reduction strategies were also supported as these were seen as crucial initiatives for improving access to preschool in targeted communities. Mobile preschools received 9% of distributed barrier funding to address a number of issues – to investigate the establishment of new venues, the purchase of new vehicles for service expansion and also in the form of one-off funding.

All of these grants, increased supply of early education in communities across NSW for a relatively small investment of public funds.



If the Inquiry had been
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CASE STUDY 3

A community-based preschool in a south-western NSW regional town operates core hours from 8.45am to 2.45pm. They chose to offset their hours from 9am to 3pm by 15 minutes to enable families that also had to drop a child to school to do both drop offs without concern for the child who was waiting.

About five years ago the preschool was losing children to long day care and family day care when the local family day care made a decision to charge for children who were coming from preschool in the afternoon for a few hours at the full day rate. The centre surveyed families and found that approximately 1 in 5 was interested in some form of before and after care.

The service now operates a 15 minute before care from 8.30am for which they charge \$2 and a 3.25 hour aftercare till 5.30 each day. This is charged at \$8 per hour with a \$12 minimum and is then charged in 15 minute increments. The before and after program is managed by a separate co-ordinator responsible for programming for this time and a qualified early childhood teacher is always present.

The centre initially started this program at 1 day per week but it now runs 5 days and demand is steadily increasing. The service finds it ironic that under state data collections which determine funding for the service only their core hours are counted as times of attendance despite the presence of an early childhood teacher at all times.



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CASE STUDY 4

A non-profit service that manages three early education and care services on or near the campuses of a university. The service is an incorporated association set up by the university to operate and manage the childcare services at the university. While it is associated with the university and some land and buildings used for childcare are the property of the university, the provider is a separate legal entity. The centres are operated as non-profit services managed by a board comprising representatives from the university, the students' association and the students' union, as well as a representative of a large local employer and parent representatives from each of the centres.

Service A

- ◆ Service A is located on land which was owned by the university. The land was sold to a government authority in 2010. The government authority is developing the site to include 345 new dwellings, of which half will be retained for authority personnel and the other half sold. The children's service located onsite is to be demolished to make way for the development, and no replacement will be provided.
- ◆ Service A opened in 1991 and catered for 68 children, aged birth to school age, with full occupancy. Whilst the split of university staff and students varied from time to time, it was about 90% local community enrolments and 10% university enrolments in the last few years.
- ◆ Service A will cease operations on 28 February 2014.
- ◆ The provider approached local, state and federal government for assistance to find and fund new premises in another location in the same area to no avail. All layers of government tried to shift responsibility to the other levels and could offer no assistance. The provider also tried to get the university to build/relocate a centre on the parcel of land that they retained after this sale, but this was also unsuccessful and that land has now been traded with the a NSW government department and will cease to be owned by university after 2015.
- ◆ The provider had a proven and proud history of providing high quality care and education in this community for 23 years and were full with waiting lists. They had a desire to continue to operate in this LGA, however needed assistance with land and building purchase/building expenses, or to find a suitable site that was available to be rented at a subsidised cost (up to \$50,000 per annum for a site that was of a suitable size).
- ◆ Despite the fact that parents have known about the impending closure since 2011, the service continued to operate at full operating capacity – although they chose to gradually reduce the operating capacity in the lead up to the eventual closure (and as natural attrition of staff happened):



- 2010 – 68 places – 99% occupancy
 - 2011 – 66 places – 100% occupancy
 - 2012 – 57 places – 100% occupancy
 - 2013 – 44 places – 100% occupancy
- ◆ Such is the need for services in this location, that families were still accepting enrolments in November 2013, even though they knew that the service would close in four months. The provider felt morally bound to remain open in February 2014 as they had a number of families who have not yet found alternate care – despite nearly three years notice.
 - ◆ This is exacerbated in this LGA, as the closest centre is also facing an uncertain future with lease issues of their own – if this is unable to be resolved, the LGA will be left with only one community-based LDC – council’s – leaving families with a restricted ability to choose non-profit early education and care for their children.

Service B

- ◆ Located on land owned by a university. Service B opened in 1995 and caters for 50 children aged birth to school age. This is one of two centres that the provider operate within a one kilometre radius – the other, Service C, is located on land which is leased for a subsidised rent from the local council, and caters for 61 children aged birth to school age.
- ◆ The two centres operate at 100% occupancy across the year, with extensive waiting lists of 500 plus children. Service C was expanded from 40 children to 61 a day and is at maximum capacity on that site. Since 2008, the provider has been attempting to expand Service A to cater for the unmet and growing demand for childcare in this area for both worker and resident populations.
- ◆ These centres operate service a number of large employers, the university and the local community. (Enrolments here are about 66% university and 34% local community.)
- ◆ The provider is a small non-profit entity which is completely separate from the university – but not withstanding that, have been trying to expand on their site, and with their support and assistance, as a mutually beneficial project.
- ◆ The university applied for funds in 2008 under a Commonwealth government initiative to build 260 new early learning centres – when this was reduced to 35 new services this application was unsuccessful.
- ◆ In 2009, the university submitted plans to the local council for an expanded centre on the grounds of Service A, as part of a bigger Development Application. This project did not proceed due to issues with the funding of the whole project.
- ◆ In 2012, it was decided to revisit plans for an expanded childcare centre on the the grounds of Service A, and remove the other development proposals from this project. Conditional



DA approval was granted in 2013; however, the project has been placed on hold due to the lack of capital funding.

- ◆ The project is an expensive build, (\$4.9m), and costs are increased due to the heritage nature of the campus. The heritage issues are not insurmountable, but they have added to the cost of the build.
- ◆ If the provider could secure funding, they would increase available places on this site to 84 per day (an extra 34 places). However, as it stands now, the provider needs assistance/ access to capital to proceed, and the university has no ability to build the expanded facility on their behalf. Given that the organisation has DA approval, if funds were available, they would be in a position to proceed with this expansion.



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CASE STUDY 5

Service D is an inner-city education and care service in Sydney. The service was established in premises owned by a local council as a work-based service, with priority of access given to council employees.

It is a 36-place centre and has been operating since 2011.

The service has successfully recruited a workforce with a diverse cultural and linguistic background but faces the following issues:

- ◆ Many of the staff need additional support to obtain qualifications because English is their second language.
- ◆ Staff are all having to travel long distances from outer suburbs to work in the service because they do not earn enough to afford city accommodation costs.
- ◆ Lack of parking in the city means staff are reliant on public transport. Public transport delays can mean service needs to staff higher than regulations to ensure ratios are met at all times.
- ◆ Service depends on additional casual staff to fill workforce gaps as educators would prefer to work closer to where they live in order to meet their own family care needs
- ◆ Retention of staff is a priority for the organisation because of understanding of link with quality but constant tension between need to keep fees low for families or increasing fees to allow higher wages.
- ◆ Recruiting casual early childhood teachers is difficult because unemployed teachers can always earn more in local schools.

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CASE STUDY 6

- ◆ Service E is a 40-place early education and care service in the Hunter region of NSW that has been in operation since 1987. The service has a long standing reputation in the community for providing high quality education and care, by long-term dedicated team members.
- ◆ The region has high levels of children with additional needs and is a low-socio economic area.
- ◆ In order to include children with additional needs in the service, the service is reliant on two different funding streams – the Commonwealth Inclusion Support Subsidy and the NSW State Government Intervention Support Program funding.
- ◆ The application processes for each funding source are complex, have differing time lines and differing eligibility criteria. The funding for a child is only guaranteed for a year. This insecurity of funding makes long term planning complex and does not allow families security of placement.
- ◆ A large amount of service time needs to be devoted to the process of securing funding via a process that involves co-ordinating families, additional staff, special equipment, allied health professionals and two levels of government in order to ensure the ongoing placement of one child with additional needs in the service.
- ◆ This process is co-ordinated by the service director who is also co-ordinating enrolment for all children.
- ◆ If children with additional needs had guaranteed access to early education with one level of government providing sufficient funding to enable the recruitment of additional skilled staff to facilitate their participation the process would work much more smoothly.



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NSW Children's Services Forum Response

Community Child Care Co-operative is a member of the NSW Children's Services Forum. We support and endorse the Forum's submission reproduced below.

NSW Children's Services Forum

Secretariat: C/- NCOSS, 66 Albion St, Surry Hills NSW 2010, ph: 02 9211 2599 fx: 02 9281 1968

Who we are

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

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

What is this submission?

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

NSW education and care² In NSW around:

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

There are around:

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

Excluding preschools, 250,000 families use these services.

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

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



Overarching Focus

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

A large body of evidence exists that shows:

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

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

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

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

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

2. Retention of the NQF

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

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



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

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

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

5. A sustainable early education and care workforce

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



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PRODUCTIVITY INQUIRY

The Productivity Inquiry into
Childcare and Early Childhood
Learning is important



Community Child Care Co-operative (NSW) prepared an animation outlining the key views that we believe the Productivity Commission should consider in the context of the review.

This animation can be viewed here:

◆ <http://www.youtube.com/watch?v=L4XGLG2fWVvk&feature=youtu.be>

When we produced this we called on individuals and organisations that agreed with the concepts in the animation to add their name to it.

This is how we felt:



when the following 133 organisations and 75 individuals requested that this animation be submitted on their behalf as a submission to the Commissions' Inquiry.

NB: These names have been submitted separately to the Productivity Commission.



If the Inquiry had been
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Who is Community Child Care Co-operative (NSW)?

Community Child Care Co-operative (NSW) was established in 1978 and is a not-for-profit organisation that promotes, supports and advocates for quality education and care services; meeting the needs of children, their families and the community.

Community Child Care Co-operative (NSW) has a variety of roles in the NSW children's services sector which leave us uniquely placed to provide this submission.

We are:

- ◆ A peak organisation in NSW representing over 1,900 education and care services, families and individual members. Although Community Child Care Co-operative (NSW) represents services in all areas of the education and care sector, our full members are community-based, not-for-profit long day care services and community-based, not-for-profit preschools.
- ◆ A Registered Training Organisation offering a variety of nationally accredited VET courses to education and care services in NSW and their employees. We also deliver distance education to employees engaged in undertaking traineeships in education and care services across NSW.
- ◆ The lead agency of Children's Services Central, the Professional Support Co-ordinator in NSW. This program, funded by the Australian Government, under the Inclusion and Professional Support Program, provides a range of professional development to all Australian Government Approved Child Care Services in NSW
- ◆ A provider of highly supported and sought after quality professional development, resources and publications to the NSW early education and care sector, especially preschools, long day care centres and occasional care centres.
- ◆ A provider of three preschools and two long day care services through our wholly owned entity, Children's Services Community Management.
- ◆ A well respected advocacy organisation for early education and care and early education and care services in NSW.

Community Child Care Co-operative (NSW) endeavours to:

- ◆ Advocate for accessibility and affordability and supports and resources quality improvement of education and care services.
- ◆ Inform, influence and inspire early education and care services in NSW and Australia.

