

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

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Community Child Care Co-operative Ltd. (NSW) applauds the Council of Australian Governments (COAG) for a renewed commitment to quality in early childhood education and care (ECEC) in Australia. We acknowledge and appreciate the opportunity to participate in a genuine consultation on the Regulation Impact Statement for Early Childhood Education and Care Quality Reforms (RIS).

Community Child Care Co-operative Ltd. (NSW) holds a vision to provide collaborative leadership in the creation of a child-focused community. Established for over 30 years, we are a peak NSW based not for profit organisation providing support, resourcing, professional development, advocacy and development of the children's services profession. With a strong commitment to our not for profit community based service membership we acknowledge that this submission is made on behalf of our membership and is informed by our professional engagement through our many and varied program areas.

This submission is structured so as to provide responses to the Consultation questions proposed in the RIS. Whilst there are many factors influencing how we move to a National quality system, including cost factors, it is imperative to remain focused on the intentions underlying these reforms, the most important of which is increased, consistent positive outcomes for children. In this response we have applied the measure – what is best for children?

## Consultation Questions

### National Quality Standards and Ratings Framework - Question One

Governments are proposing to implement consistent minimum standards of care across Australia. Do you agree with this approach? Why or why not?

Community Child Care Co-operative Ltd. (NSW) endorses the introduction of consistent National standards and recognises the potential improved efficiencies as outlined in the Access Economics report and the potential improved outcomes for children attending children's services in Australia. We have long recognised the importance of the structural quality elements of child staff ratios, qualifications and group sizes and we agree that these elements should be integral in addressing quality standards.

We believe strongly, however that a minimum standard should be an absolute base requirement and any National Quality Standards and Ratings Framework should incorporate continuous improvement, including improvement in the structural quality elements.

We acknowledge the complexities in implementing a National system and we value the consistency that may be achieved in time. Community Child Care Co-operative Ltd. (NSW) members are concerned and seeking clarification around the notion of grandfathering States and individual jurisdictions that have current standards stronger than the National standards. We see grandfathering as initially positive and also potentially problematic. For grandfathering to be successful for New South Wales children's services it is essential that these higher standards are grandfathered in such a way that all services operating in our State meet those higher standards, without exception. An alternative to this approach would be to propose the highest standard currently in each of the structural quality elements throughout all jurisdictions be applied universally and to allow for appropriate transition and implementation time. For example, Western Australia has the highest standards across all age groups in staff child ratios for long day care and these could be adopted throughout Australia.

#### National Quality Standards and Ratings Framework - Question Two

For each care type, which of the options set out in Chapter 5.3 do you believe would best achieve a good balance between meeting the government's objective of enhancing learning and development outcomes for children, and affordability for parents, and why?

#### Table 5-1 National Quality Standard Options for Long Day Care and Preschool:

Community Child Care Co-operative Ltd. (NSW) believes that Option 4 in this table is best aligned with quality outcomes for children, because of the higher staff child ratios, although we note that no option presented has our unreserved support. As Australia is working towards Universal Access objectives for 2013, and this has a particular emphasis on preschool education in the year before school, we would recommend that the date for services to transition to a 1:10 ratio for children aged 36 months or older should be by the end of 2012. With half of the jurisdictions already working with a 1:10 ratio with this age group, implementation by the end of 2012 would be achievable.

Furthermore, implementing a 1:3 ratio for children aged under two years a decade after 1:4 is implemented is concerning, especially when many services already successfully operate at a 1:3 ratio and literature provides evidence of the outcomes for these young children. Community Child Care Co-operative suggests that transitioning to a 1:3 ratio should be factored in to be no later than the end of 2015. Having these dates determined in advance will allow services to plan and budget for this change and this ties in well with a five year planning cycle. Member feedback has also suggested that moving to new ratios for the 2-3 year old age group should be introduced sooner than 2015, rather by the end of 2011.

One of our members focused on professional development as the cornerstone of nurturing quality in children's services. We support the tabled minimum qualification of Certificate III by 2013, and we recommend that funding mechanisms to ensure that existing workers are able to access affordable, flexible training without loss of income are implemented Nationally.

Teaching qualifications are highly valued in New South Wales services and in keeping with Universal Access objectives the requirement for services with 25-59 children to have one full time four year University qualified early childhood teacher (ECT) by 2013 falls short of this aspiration. We support our colleagues from Social Justice in Early Childhood in their RIS submission which suggests that the proposal of regulating for a proportion of a teacher (0.5) does not ensure every child every day has access to an ECT. We believe that there should be one ECT for every 20 children every day, and that these teachers be actively engaged with children as primary contact staff. This means:

- 2 University qualified ECT's if the centre is licensed for up to 40 children
- 3 University qualified ECT's if the centre is licensed for up to 60 children
- 4 University qualified ECT's if the centre is licensed for up to 80 children

New South Wales centre based services are currently capped at a maximum of 90 places, with no more than 30 children under the age of two years, no more than 60 above the age of two years and under the age of six years, who do not ordinarily attend school. These child number requirements vary across other States and jurisdictions and Community Child Care Co-operative Ltd. (NSW) seeks confirmation that these child numbers will be preserved in New South Wales and considered for all future centre developments across Australia.

We strongly advise against the final point on qualifications contained in table 5-1. All children deserve to have access to a primary contact staff member who has specialist early childhood teacher qualifications. This is especially relevant for children in the first three years of life. The notion of an alternative qualification devalues the specialist knowledge that is gained in an early childhood teaching degree. We ask that the Commonwealth make it a priority that children in this youngest age group also have daily interactions with an early childhood qualified teacher to nurture and develop their learning.

Whilst we acknowledge the workforce issues that exist around ensuring there are enough graduates to meet this demand, we are already losing a substantial amount of early childhood four year degree qualified graduates to the school system in New South Wales, where graduates receive better pay and working conditions. Now is the time for the Commonwealth to consider how we address pay equity for these teachers and provide incentives for them to work in the prior to school sector.

Providing funding to Universities to develop transition courses for those upgrading from three year early childhood degrees or TAFE Diplomas must be a National priority. Assessing the quality and consistency of tertiary courses should also be a priority, ensuring that graduates who exit tertiary programs with a prior to school specialisation do so with a consistent knowledge base and skill level. This approach to National consistency is in line with other professional qualifications and Australian standards, for example with the Accounting qualification. In particular Community Child Care Co-operative Ltd. (NSW) is concerned with graduates from University programs having professional experience and theoretical knowledge specific to the age group they are working with. Assisting Universities to deliver courses that are relevant to those with years of practical experience in a flexible, affordable and meaningful way

needs to be a funding consideration. Just as children are life long learning so too can be the staff that work with them – with a clear career pathway and qualification articulation process.

Community Child Care Co-operative acknowledges that all staff in early childhood services bring significant life experience and a mix of qualifications is valued. When planning and implementing programs staff with qualifications are able to have greater input, professional dialogue and collaboration, and this in turn influences the quality of the program that the children engage with every day.

Table 5-2 National Quality Standard Options for Family Day Care:

Community Child Care Co-operative Ltd. (NSW) has heard members concerns about the decrease in funding and income to carers that could come about when ratios are revised. One member commented:

“Our scheme could potentially receive approximately \$50,000 less in network funding and \$45,000 less in Admin levies if the 1:4 ratio for FDC is introduced. FDC has always been seen as a more affordable childcare option for families...with carers being able to deregulate their fees the opportunity to implement hefty fee increases to parents to help recoup loss of income will be a certainty. Again it will be the parents and families that are hit hard.”

We believe that Option 2 reflects substantial quality improvements for the family day care sector. We also understand that funding for these changes in jurisdictions like New South Wales will be necessary for the viability for Family Day Care Schemes.

Community Child Care Co-operative Ltd. (NSW) supports the increased professionalism that higher qualification levels would achieve in this sector. We also recognise the extensive experience that these carers have in working with young children and the limited time they have to study. Through our RTO we are working to ensure that our Cert III students are able to apply for recognition of prior learning (RPL) to attempt to ease the burden. Funding for TAFE colleges and other not for profit Vocational training providers will assist with the increased demand in course enrolments.

We agree that, in line with Universal Access objectives, that 2013 is a suitable year for carers to have obtained or be enrolled in Certificate III. We also support the actions of many Family Day Care schemes in New South Wales in employing co-ordinators with a 4 year early childhood teaching degree and we would recommend this qualification level by 2018 following on from a Diploma qualification by 2013.

#### National Quality Standards and Ratings Framework - Question Three

Do the proposed standards address different cultural and diversity requirements and considerations adequately? If not, do you have any suggestions for how the standard could be further improved?

The standards presented for consultation represent a broad view of how culture and diversity may be addressed, however this is conceptual. The OECD quality principles include connections with family and

community, and this is a significant factor in addressing diversity. Page 9-10 of the RIS document discusses disadvantaged children. Community Child Care Co-operative Ltd. (NSW) acknowledges the varying life chances that children face. We also know that if Australia can implement effective National Standards that raise the quality of ECEC for these children their life chances are greatly improved.

With COAG also focused on closing the gap in indigenous disadvantage it is hoped that the strategies developed in the *Towards the Development of an Indigenous Education Action Plan* and the National Indigenous Education Action Plan currently being developed by the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) will also be reflected in these quality reforms. The recent ARACY Report Card shows that Australia needs to sharpen our focus on improving outcomes for all children, especially those who are from Indigenous backgrounds. Information sharing throughout the development of this action plan would be a suggested method of addressing this particular cultural consideration.

A large focus of the proposed standards is on an increased parent understanding of quality in children's services. Parents from culturally diverse backgrounds need to be able to access information in ways and in language that they can easily comprehend. Significant funding should be applied to ensure that all families are able to understand and appreciate quality children's services. Community Child Care Co-operative Ltd. (NSW) considers that further development around quality area 6 – Collaborative partnerships with families and communities – should include specific elements of diversity. The importance of considering relational process quality - as described in the Access Economics report - should be observed in achieving respectful inclusion of all children from all backgrounds. These considerations should also be overarching within all quality areas.

Further considerations of diversity should encompass approaches to staffing ECEC services. The RIS paper acknowledges the value of a mix of qualifications within a service, and there is also value in a mix of ages, genders and cultures represented in the staffing of these services.

#### National Quality Standards and Ratings Framework - Question Four

What would be the impacts of changes to FDC arrangements?

Family Day Care (FDC) is a unique service type and Community Child Care Co-operative Ltd. (NSW) agrees that a separate set of standards must apply for this sector. The significant impacts of changes to FDC are considered to be:

Increased levels of training to a largely unqualified but considerably experienced carer employee group – A minimum qualification of Certificate III for these carers is considered appropriate by Community Child Care Co-operative Ltd. (NSW), however purposeful attention must be given to providing quality training to this workforce that is affordable, flexible and relevant to their circumstances. In order to increase the qualifications of carers within these schemes a satisfactory RPL process needs to be an established part of the process and evidence of competency supported by scheme staff.

In New South Wales many Family Day Care scheme co-ordinators already hold an early childhood qualification and provide educational leadership to the carers in their schemes. Funding should be directed to facilitating this educational leadership in a meaningful way that assists in upskilling the carers in this sector.

Cost implications for schemes in New South Wales as they transition to new ratios. Concern has been expressed by our membership that movement to the new ratios will reduce carer income, reduce scheme funding and potentially drive up fees. Community Child Care Co-operative Ltd. (NSW) shares the concern for the viability of these schemes and also supports the new ratios as being better for children. We therefore entrust the Commonwealth to ensure the viability of these schemes and to provide adequate financial support through this period of change.

Further to considering service types which differ from long day care and preschool services - considered to be more mainstream – Community Child Care Co-operative Ltd. (NSW) encourages consultation on impacts for the outside school hours care sector. We note that no changes are proposed at this time for these services, and we are encouraged that indications are that assessment and transition arrangements will be developed in consultation with the sector (as per Factsheet page 2).

#### National Quality Standards and Ratings Framework - Question Five

What would be the impacts of the proposed changes to staff qualifications on services, particularly small, or rural or remote services?

Workforce issues and viability are always paramount for services that are located in rural or remote regions. Services that are smaller in size also face potential cost increases that, due to the limited cashflow from enrolments, could also be impacted significantly by the new standards, particularly with ratios and staff qualifications.

The National Early Years Workforce Strategy has begun to make inroads into building a highly skilled workforce and in doing so is acknowledging the ongoing shortages of qualified ECEC employees in some regions. It remains to be seen how effective the \$12.4 million HECS-HELP debt reduction for early childhood teachers choosing to work in regional and high disadvantaged areas is, however this is seen as part of an incentive for teachers working in these regions. As these services are often financially disadvantaged consideration should be given to supporting the wages of these teachers, or providing housing and other benefits. An overwhelming disincentive for early childhood teachers working in prior to school services is lack of pay parity and conditions with the school system.

Furthermore, staff working in children's services should have a clear career pathway mapped – from Certificate III to Diploma to four year teaching degree. For those working with a Diploma there should be clear articulation into a four year university degree course. For those with older CAE qualifications or the equivalent three year teaching degree there needs to be cost effective, flexible and relevant learning at tertiary level to support their qualifications moving to 4 year teaching by 2013 to achieve COAG

outcomes. This upgrading of qualifications needs to be funded and supported, with a focus on currency of knowledge rather than grandfathering those with lesser qualifications.

The Universal Access initiative aspires to a high level of quality, especially with regards to stipulating a four year teaching degree. The RIS broaches temporary exemptions for "...areas classified as remote or very remote by the Australian Bureau of Statistics remoteness indicator where they can demonstrate they have been unable to source appropriately qualified staff, they may be granted an exemption to use less or differently qualified staff." (page 27). Community Child Care Co-operative Ltd. (NSW) impels the Commonwealth to consider the importance of early childhood university qualified teachers in these regions. The RIS document frames early childhood initiatives as part of a productivity agenda focused on human capital. Resourcing qualified early childhood teachers in these regions impacts directly on the outcomes for the children in these communities, and also with tertiary training in family relationships and community development, these teachers work with the communities they are situated in to build social capital. A well resourced and staffed early childhood service becomes a hub of their community, where families interconnect and nurture one another. Developing strategies to attract and retain qualified staff in these services should be a National priority.

#### National Quality Standards and Ratings Framework - Question Six

Do you think the proposed quality rating system would be an effective indicator of service quality?

Community Child Care Co-operative Ltd. (NSW) conceives that based on the defined quality areas, reforms to staff child ratios and qualifications of early childhood educators, the proposed quality rating system has the potential to be an effective indicator of service quality. The degree of effectiveness is difficult to speculate due to the broad nature of the document and the measures applied not being expressly defined.

Much professional dialogue has been shared with our colleagues around the proposed quality ratings system following on from the first round of consultations. Some of our members have commented that they are concerned with a multi-tiered quality rating system, and suggestions include that services who wish to be assessed at above National Quality Standard do so through voluntary participation, or alternatively the National quality standard be introduced across the board with the expectations progressively increased over time, encouraging a culture of continuous improvement.

Overall, a tiered quality rating system is considered by Community Child Care Co-operative Ltd. (NSW) to be an effective way of communicating with families as they endeavour to identify high quality children's services. This is provided that the Quality Profile Certificate (or equivalent) is displayed and the information available on the National body's website that explains what each rating level means. Families across Australia need to be educated on the interpretation of the quality ratings contained in the quality profile certificate.

The RIS document (page 29) refers to a set of criteria being developed which will include qualitative and quantitative assessment by an external assessor. Community Child Care Co-operative Ltd. (NSW) implores the Commonwealth to provide clear definitions and consult well on the proposed criteria. We need to know what this will be, how and who measures and assesses this. Once further information is available we will be in a position to respond more comprehensively to this question.

National Quality Standards and Ratings Framework - Question Seven

Would the quality rating system help to drive continuous improvement in the ECEC sector? If not, do you have any suggestions for how the quality rating system could be further improved?

The RIS document refers to the standard as being designed “...to facilitate continuous improvement and be simple to understand and administer” (page 24). Community Child Care Co-operative Ltd. (NSW) agrees that these are valid constructs, however the notion of continuous improvement is not an overt thread throughout the reforms and this is of some concern. Continuous improvement should be embedded in this quality rating system, and incentives for achieving higher rating standards should be provided in terms of services with higher than National Standard quality ratings being granted Accreditation for longer periods of time.

The Commonwealth needs to establish mechanisms to monitor National Consistency. Community Child Care Co-operative Ltd. (NSW) identifies the National Professional Support Alliance as being ideally equipped to respond to this opportunity and collaboratively nurture consistent National standards. This also aligns with the National Professional Support Alliance current reporting requirements to DEEWR.

National Quality Standards and Ratings Framework - Question Eight

What criteria do you think should be used to rate a service as Excellent? How should the rating be assessed and by whom?

The labeling of excellence can be problematic and could potentially lead to a class system in the early childhood sector, being indicative of perceived superiority. For some early childhood services achieving a rating of ‘Excellent’ might be seen to be unattainable. In implementing a new ratings system the highest quality rating needs to be desirable for all services to strive to achieve. Allowing services that achieve this rating to have longer Accreditation periods, greater engagement within professional forums and research and additional funding to mentor and work with other services to raise quality standards more broadly could be potential motivators. Community Child Care Co-operative Ltd. (NSW) invites further consultation on the critical details that will determine the rating criteria.

The criteria used to define an ‘Excellent’ service also needs to be made explicit and be measurable. Terms like innovation, integration, social inclusion and community engagement can be broadly interpreted and need parameters. At a recent information session on the RIS members of the private

sector expressed their understanding of community engagement as having a hairdresser come into the service and cut the children's hair. Caution needs to be applied to the use of this terminology and the potential simplification that may occur in its interpretation. The final document needs to reflect examples of what authentic community engagement means.

The use of the word 'Excellent' is also potentially problematic and reflects the tensions identified in the Access Economics report in defining quality (page 17). The terminology around describing the 'Excellent' quality rating aligns with process quality, or relational elements which can also open to subjective judgement, so clear criteria is needed. The notions of 'good, better, best' within the rating system acknowledge the services that are constantly striving to better themselves and as such a tiered rating system is valid and could be perhaps more accessible with alternate wording around the highest rating category.

#### Licensing and regulatory arrangements - Question Nine

Do you think integrating the existing regulatory arrangements will reduce costs for the industry and for governments? Do you think this approach will be sufficient to ensure ECEC provided is high-quality?

The cost benefit analysis provided by Access Economics is comprehensive and effectively evidences the efficiencies that can be gained for services currently operating under the Quality Assurance system and relevant State Regulations. An integrated system, implemented and monitored Nationally and working collaboratively through jurisdictional based offices with localised knowledge should be sufficient to ensure ECEC provided is of a high quality standard. Integrating the existing regulatory arrangements alone will not be sufficient to ensure ECEC is provided at a high quality, and other factors must be taken into consideration. Research has shown that teachers working in New South Wales LDC services under historical regulations and QIAS found that these systems had the impact of stifling professional autonomy, constraining time and compromised children's quality experiences (Fenech & Sumsion, 2007).

The use of jurisdictional based offices will ensure that any grandfathering of higher quality standards is preserved and the quality standards in New South Wales would not be deteriorated. Furthermore, this reflects the sentiment expressed in the RIS document (page 29) "...the ability in a small number of selected areas to increase standards in a State or Territory by agreement between that State/ Territory and the Commonwealth following discussion by the national body." State and jurisdictional based Professional Support Co-ordinator work within the sector is positioned well to facilitate the training and transitional support needs of services working within an integrated regulatory system.

#### Implementation - Question Ten

What do you consider to be the key advantages and disadvantages of the proposed reforms?

Community Child Care Co-operative Ltd. (NSW) recognises key advantages of the proposed reforms as including:

- Enhanced outcomes for children, irrespective of the service type they are in and the jurisdiction they are living in
- A National quality system that integrates existing regulatory and quality systems
- Increased professionalism of the early childhood workforce
- Increased government investment and commitment to education in the early years
- Clearer information available to families on service quality
- Commitment to preserve higher standards if they exist in individual jurisdictions
- Use of a National Early Years Learning Framework (EYLF) across Australia

Key disadvantages are recognised as:

- Inconsistencies with slated substitutions of qualifications (RIS page 28) and ‘other prescribed curriculum’ (RIS page 24). These slight variations on otherwise clear standards undermine the value of reforms
- Transition for New South Wales Preschools from a State Regulation to a National quality system, and the need for families attending these preschools to be entitled to the Child Care Tax Rebate (CCTR) to address affordability issues for families using these services. Further clarification is also sought around what sanctions may be applied to those services that do not meet standards as removal of CCB is not an option for registered services
- Absence of the criteria and measurement methods for the tiered quality standard system prevents a thorough consultation
- Inevitably some services will not satisfactorily meet Accreditation standards. Repercussions for these services must be significant and meaningful.

#### Implementation - Question Eleven

What do you consider to be the key challenges associated with the implementation of the proposed reforms?

Key challenges with the implementation of the proposed reforms will be in professionally supporting services through the process and professionally developing the sector. DEEWR needs to fund Professional Support Co-ordinators (PSCs) to ensure that training on the EYLF is provided and support on the broader quality reforms is continual. Funding also needs to support the upskilling of the workforce in responsive, flexible and meaningful ways. This National Alliance is well placed to deliver nationally consistent professional learning, including Nationally Accredited competency based learning, often as flexible learning options in response to the needs of the sector.

Implementation - Question Twelve

What factors may impact on the ability of ECEC services to implement the reforms?

For some services implementing the reforms around changed staff child ratios may mean modifying their premises or making other changes. Having funds available to assist with capital grants that may assist in the development and upkeep of services will assist services in meeting the quality physical standards without reducing places available to children.

Cost is inevitably a barrier to services, particularly community based not for profit services. Staffing is the most substantial cost for services. As qualification and staff numbers increase financial impacts are likely. Community Child Care Co-operative Ltd. (NSW) is concerned that some services may seek concessions in employing lesser qualified staff and this would reduce the value of the quality reforms.

Implementation - Question Thirteen

What transition arrangements do you consider appropriate for implementing the proposed staff-to-child ratios and staff qualifications?

Where State or jurisdictional standards have higher staff to child ratios and staff qualifications these should be retained at all costs. No State or other jurisdiction should have the level of quality available for children and families reduced as part of this quality reforms. Clear definition around grandfathering and its application in New South Wales is needed in order to transition effectively.

Staged timing of the introduction of qualifications and ratios is most effective and allows services to plan for the changes. This staged timing also allows for alignment with National Universal Access goals and provides a road map which will guide these structural quality improvements.

Implementation - Question Fourteen

What is the overall impact of the proposed changes on you and what would be your response?

The overall impacts of the proposed changes on Community Child Care Co-operative Ltd. (NSW):

- a high quality, co-ordinated and responsive quality system that ensures the best for children
- an increased level of support, resourcing and professional development for New South Wales children's services and the people working in them,
- heightened involvement in peak consultations and advisory groups to guide the implementation and feedback on the development of criteria and other necessary detail

- commitment to continue to work with DEEWR in conjunction with Children's Services Central, New South Wales Professional Support Co-ordinator (PSC) in providing training, resources and professional support to children's services who are responding to the implementation of these quality reforms
- increased information sharing with the sector on the changes and how the changes will impact day to day service provision
- continued advocacy on behalf of our members
- a commitment to investigate early childhood career pathways to enhance engagement of existing workers in increasing training levels
- new relationships with the new National body and ways of communicating across organisations

Community Child Care Co-operative Ltd. (NSW) approves of the reforms being undertaken and is pleased by the interest and investment in early childhood in Australia. We are in exponential times of change in the ECEC sector and we value the opportunity to be consulted on these developments.

Yours sincerely,

Carol Lymbery

CEO, Community Child Care Co-operative Ltd. (NSW)