

Senate Education and Employment Committees: Childcare Sector Inquiries
Australian Community Children's Services (ACCS) is the peak body representing Australia's not for profit community children's services. ACCSS is committed to ensuring every child's right to access affordable, quality, not for profit community services.

Key points

ACCS bases its advocacy on national and international research and evidence-based practice. We regularly undertake national research via our *Trends in Childcare Services Survey (TICCS)* to ensure we have relevant, up-to-date data. ACCS recognises the overwhelming research evidence showing that the structural pillars of quality--ratios and qualifications-- support improved outcomes for children and staff (See ECA Evidence Brief).

ACCS believes the COAG agreement of 2009 endorsing the National Quality Framework agenda is the most significant event in the history of education and care services in Australia. Australia is the first federated nation to achieve national reform on this scale. ACCS is fully committed to the NQF as a matter of equity for all children and families in Australia. ACCS will continue to advocate for the NQF and the COAG agreement.

ACCS appreciates the difference between appropriate professional accountability requirements and regulatory burdens. We believe the latter is used by some groups in our sector to support a position of winding back the clock on the reforms. ACCS is shocked by the blatant misrepresentation related to regulatory burdens quoted in the media. As Community Child Care NSW stated in March--*"No long day care centre has to do paper work that costs \$140,000 a year and if they do, they are doing something wrong."* Based on typical salaries in the sector, a centre would be employing nearly three full time staff just to complete the paperwork if the figure quoted by Prime Minister Abbott and repeated by Assistant Minister Ley recently was correct. There is no evidence that this is happening.

ACCS is in agreement with several business groups including the Business Council of Australia and leading economists on the link between the provision of quality, affordable childcare and improved workforce provision (especially for women) and increased productivity. Elitist paid parental leave will not achieve either of these important national goals. As Karyn a parent quoted in Community Child Care Victoria's submission to the Productivity Commission stated:

If the government wants to increase workforce productivity, they should be enforcing and supporting the quality of childcare offered. When a parent can go

to work knowing that their child is in a quality childcare centre then they will definitely be able to work more productively....this is good for the economy....

ACCS is very concerned however, that productivity rates and workforce participation for one group of people is achieved through the exploitation of the underpaid and undervalued group of people working in the childcare sector.

Data from the ACCS TICCSS surveys 1 and 2, from the most recent ACECQA Snapshot (Q1 2014) and our analysis of the ACECQA data show clearly that improved educator qualification and ratio requirements under the NQF are being met by most of the sector. For example, less than 5% of all services obtained a waiver for staffing requirements and in the not for profit sector ratios are often higher than the regulation requirements. The data also show that the not-for profit sector is meeting the National Quality Standard ratings at a better standard than the for profit sector. For example, in 2013-14, of the services that have been assessed, 40% of community based services across all states and territories have been assessed at achieving Exceeding NQS compared with approximately 16% of the for profit sector.

Clarendon Children's Centre a 40 place centre in South Melbourne, Victoria provides a snapshot of the reality versus the misleading in relation to the cost of quality provision in long day care. Clarendon Children's Centre is an example of the level of affordable quality that can be achieved with sound governance practices, community ownership, and support from all levels of government (See Case Example 1 Paper)

Mahogany Rise Child and Family Centre a 75 place centre in Frankston North, Victoria provides a snapshot of the economic, social and educational benefits from early investment in quality childcare in a highly disadvantaged community (See Case Example 2 Paper).

ACCS thanks the Senate Education and Employment Reference Committee for the opportunity to speak today and to put forward our position on the importance of the COAG agreement and the National Quality Framework reform agenda.

ACCS recognises that a '*cost sharing*' model that includes all levels of Government, business and employers, and families, with the lowest income families getting the highest level of financial support, is the only system that can provide sustainable levels of funding for the level of quality that will provide the educational, developmental and health outcomes we want for all children.

Dr Anne Kennedy: ACCS National Secretary
Ms Linda Davison: ACCS National Treasurer

Case example 1

Clarendon Children's Centre in South Melbourne (City of Port Phillip), Victoria provides an example of quality provision in long day care supported by sound governance practices, community ownership and all levels of government. In this Centre:

- Management, educators and families have wholeheartedly embraced the NQF
- Educator qualifications and educator: child ratios exceed the current regulations
- Local government provides a "Quality Subsidy" to the centre (calculated as 5% of all salary-related expenditure)
- Local government provides an "Affordability Subsidy", equivalent to one third of the dollar value of CCB subsidy, to all families with a CCB% of 25% or higher
- Staff recruitment and retention is supported by above-award salaries and conditions, including:
 - Superannuation paid at 13%
 - 5 weeks paid annual leave
 - Rostered non-contact time for all educators
 - 9-day fortnight for full-time employees
 - Pay rates which reflect qualifications, years of experience and additional responsibilities
 - Generous provision for further study and professional development
- Fees have been maintained at low to moderate levels compared with other local services
- The pre-school program receives State government funding and provides a minimum of 15 hours preschool education weekly to all eligible children

Although not yet rated under the NQS, the Centre maintains a strong reputation for excellence in the local community. Families and staff are surveyed annually and, in 2013, the following responses were recorded:

- 85% of parents surveyed cited high quality education and care as one of their most important reasons for choosing to enrol their child.
- 97.4% of parents reported being "very satisfied" with the centre
- Parents rated Centre fees as being "necessary to maintain high quality" and "good value for money"
- Educators expressed high levels of workplace satisfaction and motivation
- Educators reported that they felt their professional role is recognised and supported by colleagues, management and families

Table 2: Out-of-Pocket Costs for low and high income families using 5 days of childcare in 2006/2007 and 2013/2014

	Full fee (p/week)	Child Care Benefit (CCB)	City of Port Phillip Affordability Subsidy	Child Care Rebate (CCR)	Out-of-Pocket cost to family	Cost to family without CoPP Affordability Subsidy
Lowest income family (5 days) 2006/2007	\$275.00	\$148.00	\$49.33	N/A	\$77.67 p/week	\$22.18 p/week
Lowest income family (5 days) 2013/2014	\$485.00	\$199.50	\$66.50	\$109.50	\$109.50 p/week	\$176.00 p/week
Highest income family (5 days) 2006/2007	\$275.00	\$24.85	N/A	N/A	\$250.15 p/week	
Highest income family (5 days) 2013/2014	\$485.00	N/A	N/A	\$150.00 (averaged over full year)	\$335.00 p/week	

- In 2006/2007 our weekly fee was \$275.
- Out-of-pocket cost for highest income families, entitled to the minimum CCB subsidy, was \$250.15 p/week.
- For lowest income families on maximum CCB and CoPP Affordability subsidy, the out-of-pocket cost was \$77.67 p/week.
- By 2013/2014 our fee has increased to \$485 p/week.
- Out-of-pocket cost for highest income families is now \$335 p/week.
- For lowest income families on maximum CCB and CoPP Affordability subsidy, the out-of-pocket cost is now \$109.50 p/week.
- In summary, the full cost of care has increased by \$210 p/week over this seven year period, the out-of-pocket cost for lowest income families has increased by \$31.83 and the out-of-pocket cost for high income families has increased by \$84.85.
- Once daily fees exceed \$100, and if Child Care Rebate remains capped at \$7,500 p/annum, future fee increases will be passed on in full to higher income families (receiving no Child Care Benefit) using 4-5 days of childcare p/week.

Clarendon Children's Centre

Table 1: Out-of-Pocket Costs for low and high income families using 1-3 days of childcare in 2006/2007 and 2013/2014

	Full fee (p/day)	Child Care Benefit (CCB)	City of Port Phillip Affordability Subsidy	Child Care Rebate (CCR)	Out-of-Pocket cost to family	Cost to family without CoPP Affordability Subsidy
Lowest income family (1-3 days) 2006/2007	\$58.00	\$35.82	\$11.94	N/A	\$10.24 p/day	\$22.18 p/day
Lowest income family (1-3 days) 2013/2014	\$97.00	\$48.28	\$16.09	\$16.31	\$16.32 p/day	\$32.41 p/day
Highest income family (1-3 days) 2006/2007	\$58.00	\$6.01	N/A	N/A	\$51.99 p/day	
Highest income family (1-3 days) 2013/2014	\$97.00	N/A	N/A	\$48.50	\$48.50 p/day	

- In 2006/2007 our daily fee was \$58.
- At this time (pre-CCR) all families were entitled to at least a minimum CCB subsidy so the maximum out-of-pocket cost, after CCB, was \$51.99 p/day.
- In this financial year, our local Government (City of Port Phillip) introduced their Affordability Subsidy for all families with a CCB% of 25% or higher – equivalent to one third of the dollar value of the CCB subsidy.
- For lowest income families on maximum CCB and CoPP Affordability subsidy, the out-of-pocket cost was therefore \$10.24 p/day.
- By 2013/2014 our fee has increased to \$97 p/day.
- CCR is now available for eligible families, with an annual cap of \$7,500 per child per annum.
- The CoPP Affordability Subsidy has continued to be provided as previously described.
- Out-of-pocket cost for highest income families is now \$48.50 p/day.
- For lowest income families on maximum CCB and CoPP Affordability subsidy, the out-of-pocket cost is now \$16.32 p/day.
- In summary, while the full cost of care has increased by \$39 p/day over this seven year period, the out-of-pocket cost has increased by \$6.08 p/day for families on the lowest incomes and for high income families the out-of-pocket cost has actually slightly decreased.

Clarendon Children's Centre

Case example 2

Mahogany Rise Child and Family Centre a 75 place centre in Frankston North, Victoria provides a snapshot of the economic, social and educational benefits from investment in quality childcare. Frankston North is a significantly disadvantaged local area (SEIFA score of 812.3). Currently in this centre:

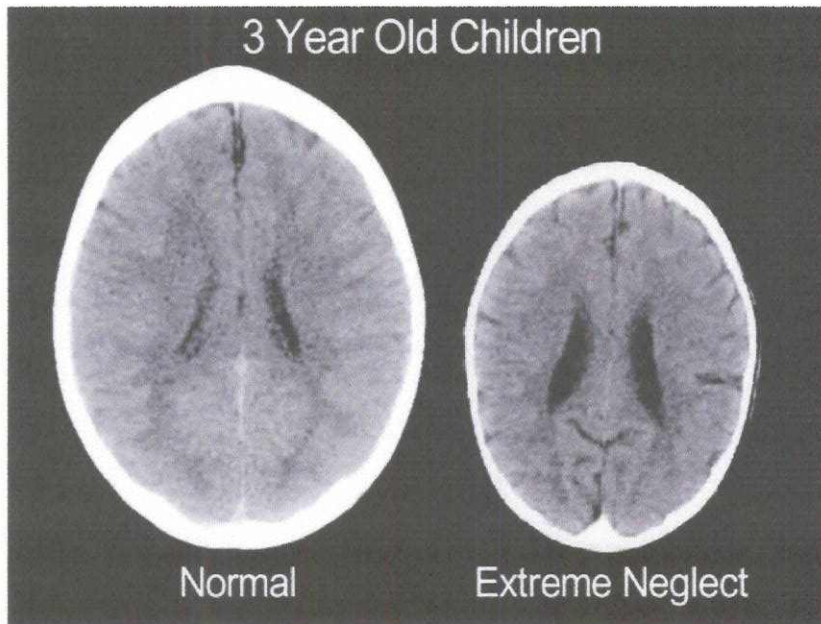
- 40% children have current DHS involvement related to child protection issues
- 29% children are receiving family support through Child First or another agency
- 16% children have a disability or a diagnosis is being undertaken
- 8% parents have a diagnosed disability
- 10% children have support through an early intervention agency
- 16% children are in foster care or being cared for by an adult other than a parent
- 21% children have specialist speech support

Since the implementation of the NQF reforms and with the support of local government and other professionals, learning, development and health outcomes for children attending the centre have improved considerably. For example:

- A reduction in number of children who are developmentally vulnerable on one or more domains by 6.3% (AEDI data 2013).
- Reduced the number of children needing dental treatment from 90% to 2% over 3 year period.
- Improved school readiness skills and transition to school for children entering school.
- A significant reduction in challenging and disruptive behaviours.

In addition to improved outcomes for children and families, there are improved outcomes for educators including:

- Lower levels of stress and improved wellbeing.
- Reduced staff absences requiring expenditure on casual relief staff.
- Better capacity to engage meaningfully with children and extend their learning because of improved ratios and up-skilling of educators through gaining qualifications and ongoing professional development.
- Reduced staff turnover which in turn has improved children's sense of wellbeing, security and safety.



Quality childcare services such as Mahogany Rise Child and Family centre provide a range of protective factors that support healthy, normal brain development especially for vulnerable and at risk children under three years of age (Perry, 2002). This level of quality early intervention does require additional investment in an experienced and skilled coordinator, skilled and qualified educators, quality meal provision, enriched environments and quality resources, in order to provide high standards of education and care.

Clarendon Children's Centre

Table 1: Out-of-Pocket Costs for low and high income families using 1-3 days of childcare in 2006/2007 and 2013/2014

	Full fee (p/day)	Child Care Benefit (CCB)	City of Port Phillip Affordability Subsidy	Child Care Rebate (CCR)	Out-of-Pocket cost to family	Cost to family without CoPP Affordability Subsidy
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- In summary, while the full cost of care has increased by \$39 p/day over this seven year period, the out-of-pocket cost has increased by \$6.08 p/day for families on the lowest incomes and for high income families the out-of-pocket cost has actually slightly decreased.

Table 2: Out-of-Pocket Costs for low and high income families using 5 days of childcare in 2006/2007 and 2013/2014

	Full fee (p/week)	Child Care Benefit (CCB)	City of Port Phillip Affordability Subsidy	Child Care Rebate (CCR)	Out-of-Pocket cost to family	Cost to family without CoPP Affordability Subsidy
Lowest income family (5 days) 2006/2007	\$275.00	\$148.00	\$49.33	N/A	\$77.67 p/week	\$22.18 p/week
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- Once daily fees exceed \$100, and if Child Care Rebate remains capped at \$7,500 p/annum, future fee increases will be passed on in full to higher income families (receiving no Child Care Benefit) using 4-5 days of childcare p/week.



**Early Childhood
Australia**

A voice for young children

Evidence Brief on Staff to Child Ratios and Educator Qualification Requirements of the *National Quality Framework*

January 2013

About us

Early Childhood Australia (ECA) is the national peak early childhood advocacy organisation, acting in the interests of young children, their families and those in the early childhood field. ECA advocates for quality in education and care as well as social justice and equity for children from birth to eight years. We have a federated structure with Branches in each State and Territory. There are more than 2,350 members of ECA encompassing individuals, early childhood services and organisations (including not-for-profit, public and private entities). This year, ECA marks 75 years of continuous service to the Australian community from 1938 to 2013.

Background

This summary has been prepared to support the staff to child ratios and educator qualification requirements contained in the Early Childhood Education and Care *National Quality Framework* (NQF) currently being implemented in Australia. ECA believes there is a solid research base that suggests that these two components are critical to achieving quality education outcomes for young children. This summary is a brief review of the evidence rather than a comprehensive review because its purpose is to provide a timely response to questions being raised by a minority of service providers who have not yet embraced the NQF.

Determinants of quality

For more than a decade there has been consensus on the structural components or features of Early Childhood Education and Care services that have a significant bearing on quality:

- the qualifications required of staff
- numbers of qualified staff
- staff to child ratios, and
- requirements regarding group size, health, safety and physical space.

The literature makes the distinction between **structural quality**, which looks at 'quantitative' aspects of early childhood education and care settings such as facilities, staff levels and qualifications; and **process quality**—what actually happens in an early childhood education and care setting, especially child–adult and child–child interactions and children's education programs.

Galinsky (2006) summarises much of the research related to quality in early childhood programs in a comprehensive report for the Center for Economic Development in the USA. Galinsky's report examines the research on three programs (The Perry Preschool/Highscope project, The Abecedarian project and the Chicago Child—Parent Centres) which provide strong evidence of the economic benefits of early childhood education as an economic investment with a view to answering the question: *'What can and should early childhood programs do to make a lasting difference in the lives of children, families and society and how can standards in early childhood education reflect these findings?'*

The drivers for this approach were a concern to counter the belief that **any** early childhood program regardless of its quality would make a difference and to more precisely examine the meaning of **high-quality** in early childhood programs. The evidence from these three programs and other international research studies indicate that staff to child ratios and the qualifications of the staff are critical structural matters underpinning high quality early childhood programs with consequent improved learning, developmental and health outcomes for children. The following sections of this Policy Brief will present an overview of the research evidence that underpins the staff to child ratios and staff qualification requirements of the NQF.

Staff: child ratios

There is sound evidence from research that the ratio of staff to children makes a positive difference in early childhood programs and particularly for children from birth to three years of age. Infants and toddlers do not thrive in environments where their need for individualised, responsive attention and attachment with caring, consistent educators is compromised because there are insufficient skilled adults to meet these critical needs. Research also indicates that the level of sensitive, responsive care for infants and toddlers decreases when the ratio of staff to children is decreased (NICHD, 2000).

The American Academy of Paediatrics' Policy Statement on *Quality Early Education and Child Care from Birth to Kindergarten* (2005, p. 187), states that:

'Early brain and child development research unequivocally demonstrates that human development is powerfully affected by contextual surroundings and experiences. A child's day-to-day experiences affect the structural and functional development of his or her brain, including intelligence and personality' (our emphasis).

The American Academy of Paediatrics identifies staff to child ratios as a significant *contextual* matter which can affect young children's brain development and overall development and learning. Consequently their Policy Statement recommends staff to child ratios which are lower than Australia's *National Quality Framework* as the following table indicates.

Figure 1: Comparison of American Academy of Paediatrics Recommended Ratios to Australian NQF

Age group	American Academy of Paediatrics recommended staff-to-child ratios	Australian NQF min. staff-to-child ratios
Birth to 12 months	1:3	1:4
13 to 24 months	1:4	
24 to 30 months	1:4	1:5
31 to 35 months	1:5	
3 years	1:7	1:11
4 and 5 years	1:8	

Research shows that higher numbers of staff to children aged three to five years is associated with important learning outcomes including:

- more extensive language skills through increased opportunities for conversations with adults
- increased literacy skills
- improved general knowledge
- more cooperative and positive behaviour with peers and adults
- better concentration and attention skills.

(Howes, 1997; National Center for Early Development and Learning, 2000; Phillips, Mekos, Scarr, McCartney & Abbott-Shim, 2000; Vandell & Wolfe, 2000).

Research also indicates that the meaningful inclusion of children with special or additional needs into universal early childhood education and care settings is supported when there is a higher level of staff to child ratios (Forster, 2007; Phillips, 1988; McQuail et al; 2003). Statistics indicate that 15 to 20 per cent of children have special needs which suggest that a significant number of early childhood education and care services would be or could be working with special needs children and their families. Current NQF staff ratios to children requirements are designed to support inclusive practice for children with special needs and their families. The new ratio requirements assist educators in providing individualised assistance and differentiated learning experiences for children with special needs. In addition to children with special needs, research has identified that vulnerable children from disadvantaged family backgrounds generally require more intense support because many of them have developmental and learning difficulties or delays. Educators can provide more effective interventions and support for children and families when there are higher rather than lower levels of staff to child ratios (Munton et al., 2002).

In addition to improved outcomes for children, higher staff to child ratios encourage educators to want to work with young children because there is less stress for them and they appreciate the increased opportunities for more sensitive, responsive care and education for every child (Munton et al., 2002).

The *Australia Institute Discussion Paper No. 84* (2006), based on a survey of 578 responses from early childhood education and care staff working in a diverse range of centres, found that one of the reasons why many early childhood educators would not send their own child to early childhood education and care was because of inadequate staff to child ratios operating at that time. Educators working with very young children often complain that poor ratios create a stressful environment in which to work (OECD, 2000). This finding is particularly relevant for Australia, given the ongoing difficulty of staff retention and recruitment in early childhood education and care centres.

The vocal but limited opposition to the NQF staff to child ratio requirements ignores the fact that the changes to the ratios under the NQF are not that different from some previous state or territory regulations as well as the actual practice of many early childhood education and care centres who operated above the legal minimum requirements for staff to child ratios (Rush, 2006).

Staff qualifications

Research is unequivocal on the link between staff qualifications and training and improved outcomes for children in early childhood education and care programs. A comprehensive review of the literature on *Determinants of quality in child care* (Huntsman, 2008 p. iii) concluded that across age groups and service settings *'the most significant factor affecting quality appears to be caregiver education, qualifications, and training'*.

The UK *Effective Provision of Pre-School Education* project (EPPE), one of the most comprehensive and widely regarded longitudinal studies, found that settings which have staff with higher qualifications have higher quality scores on quality rating systems and children make more progress as learners. The EPPE findings show that having trained teachers working with preschool children (aged 3–5 years) for a substantial amount of time had the greatest impact on quality and was linked specifically with improved outcomes for children's literacy and social learning at age five (Sylva et al, 2004). The NQF requirement for an early childhood teacher to be employed for 25 preschool children or more is in direct response to the EPPE findings.

Research in the United States also confirms that children in early childhood education and care settings led by an educator with a bachelor's degree in early childhood show greater progress and achievement in language, literacy and numeracy learning and are better prepared for school compared with children in programs led by less qualified educators. In addition, there are less reportable child accidents or serious incidents when educators with higher qualifications are employed (Vandell & Wolfe, 2000). While experience as an educator is helpful for ongoing professional development, research shows that experience is no substitute for formal qualifications and early childhood education training (Kontos & Feine, 1987).

Why do higher and relevant early childhood qualifications and ongoing training make such a significant positive difference to child outcomes? As the *Strategies for Children Coalition Research* report (2000) states, 'better prepared teachers teach better' because they:

- have deeper knowledge of child development and how children learn
- are more responsive to children's interests, strengths and needs
- have more advanced skills in guiding children's behaviour and planning for individual differences and learning including using effective early intervention strategies
- understand the significance of relationships for learning and have the skills to develop the type of relationships which foster learning dispositions in children which in turn promotes children's thinking skills, attentiveness, language skills and sociability
- have the knowledge and skills to form partnerships with families in supporting every child's learning and development
- are paid more and therefore are more likely to be retained and stay in the sector which helps programs to maintain quality overtime and reduces disparities in outcomes between services.

(American Academy of Paediatrics, 2005; Burchinal et al; 2002; NCEDL, 2000; Sylva et al; 2004).

NQF requirements

By January 2014:

- half of all staff at every long day care centre or preschool must have (or be working towards) a diploma level early childhood qualification.
- the remaining staff will all be required to have (or be working towards) a Certificate III level early childhood education and care qualification.
- an early childhood teacher will be required in long day care and preschool services for 25 children or more. Additional early childhood teachers will be required for larger services by 2020.
- family day care coordinators will need to have a diploma level early childhood education and care qualification and family day carers must have (or be working towards) a Certificate III.

The Australian Institute of Family Studies (AIFS) has identified ongoing challenges for early childhood educators working with complex families and children who need multi-faceted support. Research undertaken by AIFS and the Centre for Community Child Health shows the need for improving the qualifications, training and skill base of early childhood educators to ensure they have the capacity to provide sensitive and culturally responsive programs to meet the complex needs of an increasing number of families and children (McDonald, 2010; CCCH, 2006; Moore, 2005).

Educators with low qualifications and limited training, as Shonkoff (2011) and Hamre & Pianta (2004) and others have identified, are at high risk of burning out, suffering from depression and poor emotional health which compromises their ability to develop the type of relationships that support young children's learning and development. These findings provide compelling evidence on the importance of staff qualifications and training requirements in the NQF and the need to hold firm on these comparatively basic commitments if we are to raise the overall quality of early education and care provision in Australia.

Conclusion

'However, under conditions where most provision depends on parental ability to pay and when financial survival and profit for many providers is precarious, external regulation to ensure adequate ratios and other staffing features is essential. It is an important protection for children and parents against understandable but potentially damaging pressures to cut staffing as the major expenditure' (McGurk et al., 1995 p. 25).

While McGurk et al were writing about early childhood education and care in the UK context, their key message remains relevant for the current Australian context where there is 'potentially damaging pressures to cut staffing' requirements (ratios and qualifications) despite strong and consistent research evidence that this would lower quality overall and impact negatively on outcomes for children, families and educators.

The requirements contained in the NQF have been thoroughly considered by Federal and State Governments, with recognition that the changes would require both public and private investment in the early childhood sector ahead of full implementation. ECA strongly believes that the majority of services are supportive of the NQF and on track to meet the *National Quality Standards*. The release of NQS ratings later this year will provide objective data on this. There is no doubt that modest investment in workforce development and ECEC fee subsidies would certainly ease the transition, but above everything else there is a need for leadership and a firm commitment to the long-term benefits for children that the NQF reform agenda will deliver.

Acknowledgements

ECA would like to acknowledge the assistance of Dr Anne Kennedy in preparing this briefing paper. Anne works as a consultant, trainer, writer and researcher in early childhood education and was a member of the consortium led by Charles Sturt University which developed *Belonging, Being and Becoming, The Early Years Learning Framework for Australia*.

For further information or discussion on this evidence brief, please contact:

Samantha Page, CEO, Early Childhood Australia on 02 6242 1800 or Spage@earlychildhood.org.au.

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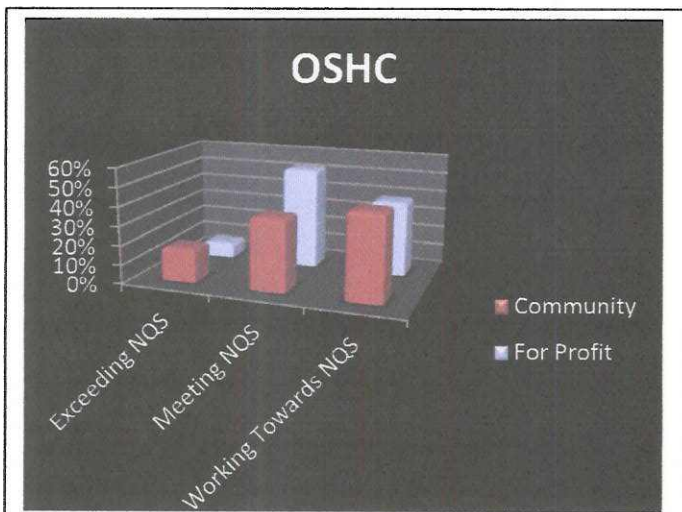
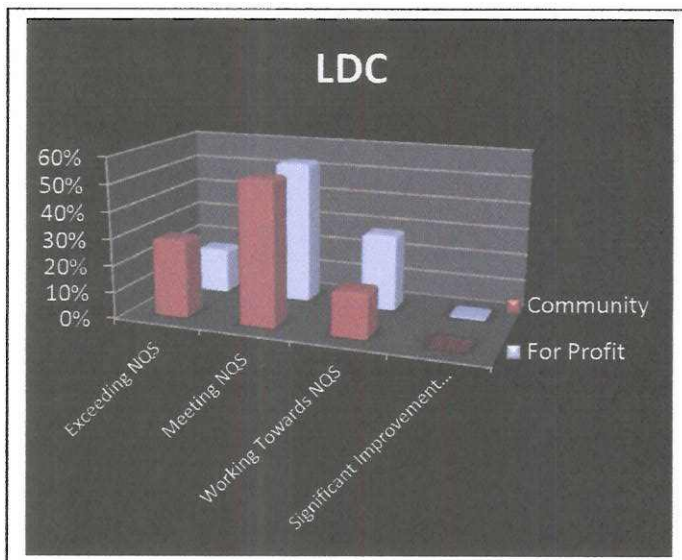
Lessons to be learned from NQS assessment and ratings results in Victoria?

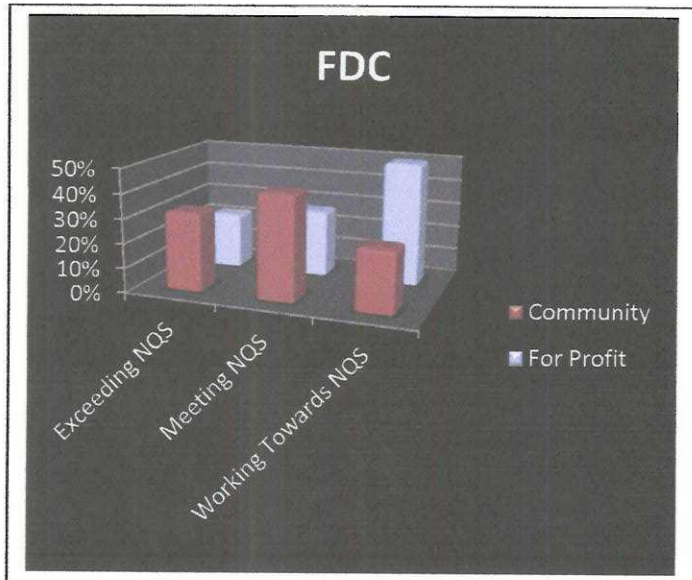
ACCS Victoria Representative, Brian Newman

Whilst ACECQA's NQF Snapshots provide a big picture of National Quality Standard (NQS) ratings, useful information can be gleaned from looking more closely at the data.

After unpacking results for Victoria up until 30 September 2013 it is clear that community based services do better across the board than for-profit commercial services, across all service types. 39% of community based services that have been assessed achieved a rating of 'Exceeding NQS', compared to just 16% of for-profit services. Those reaching 'Meeting NQS' are similar, but then 32% of assessed for-profit services were assessed as 'Working towards NQS' compared with just 20% for community based.

The breakdown of assessments results across different services types can be seen below:





The information was extracted from the ACECQA Victorian National Register and broken into service types – Long Day Care, Family Day Care, Out of School Care, and Kindergartens. This breakdown was based on information about ownership and service type available on the register, so may not be 100% accurate. Stand alone sessional kindergartens were not included in this analysis because they are almost all community based services, and we wanted to compare the ratings performance of community based not for profit long day care services and commercial for profit services. Kindergartens have the highest percentage of assessed services rated ‘Exceeding NQS’.

In each service type, community based services have a higher percentage of assessed services rated ‘Exceeding NQS’ than for profit services. At the other end, for-profit services are significantly more likely to be assessed as ‘Working towards NQS’. The only exception to this is in Out of School Care where community based services have a higher percentage of assessed services with “Working towards NQS’. Two for-profit long day care services are the only ones across all service types to be assessed as ‘Significant work required’.

Local government provided long day care services are the most likely to achieve a rating of ‘Exceeding NQS’ (44% of those assessed), as are child care co-operatives (36%). 39% of local government Family Day Care schemes assessed were rated ‘Exceeding NQS’. When Good Start long day care services are removed from the assessments, the community sectors ‘Exceeding NQS’ ratings rise to 36%.

Long day care services that are part of large commercial chains are more likely to be rated as ‘Working towards NQS’ than small for-private centres.

For the purpose of this exercise long day care services operated by private schools were included with for-profit services. When this group is excluded, the percentage of for-profit services achieving ‘Exceeding’ drops to 14%.

Of course, this information is only based on assessments so far – around 28% of the total number of registered services in Victoria. However, the consistency of the relationship between ownership and assessment ratings is certainly food for thought, further evidence of the community based early childhood education and care sector continuing to drive quality.

Brian Newman
December 2013

[To view this in a browser click here](#)

Shortside



COMMUNITY CHILD CARE CO-OPERATIVE NEW SOUTH WALES

e-news

WEDNESDAY MARCH 19, 2014

We can answer your question Mr Abbott...

The Prime Minister asked a question this morning about childcare in Parliament.

He asked:

"Why should a long day-care centre with 15 staff and 75 places have to do paperwork said to cost, on average, \$140,000 a year - which is \$2000 a child or nearly \$10,000 a staff member?" He then stated that "The result of this is fewer childcare services and higher prices for the ones that exist."



Community Child Care Co-operative (NSW) tries to help answer people's questions wherever possible. So here is our answer Mr Abbott.

No long day care centre has to do paperwork that costs \$140,000 per year. If they do, they are doing something wrong.

Childcare centres do have to:

- document children's learning;
- write up policies and practices;
- keep records to show that they are adhering to required staffing and qualification ratios; and
- document injuries and illnesses that happen to the children they care for.

Why should they do this? Because the Council of Australian Governments decided on minimum requirements that those organisations and companies which are entrusted to care and educate young children should meet.

There is a lot of talk at the moment about red tape. But the laws and regulations that protect children in childcare centres are not just red tape. These laws and regulations protect the rights of children in our communities. And red tape cannot be blamed for the shortage of childcare services or the costs of care.

Mr Abbott also said this morning "It's government's job to serve the people; not people's job to serve the government. In simple terms we work for you."

ACCS Trends in Community Children's Services Survey

Second Wave

National Report 2013

1300 300 300
1300 300 300
1300 300 300



ACCS Trends in Community Children's Services Survey Second Wave National Report 2013

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- The ACCS Research Working Group comprising members from ACCS Branches – ACCS QLD, ACCS NSW, Carewest, Community Child Care Victoria
- Community Child Care Victoria for their in kind contribution
- ACCS South Australia, ACCS New South Wales, ACCS Western Australia, Community Child Care Victoria for their financial contributions.
- Randstad Education for distributing the TICCSS survey electronically to children's services throughout Australia.

ACCS would also like to gratefully acknowledge and thank ACCS members nationally for their participation and sharing of their experiences.

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Abbreviations

ACCS	Australian Community Children's Services
ACECQA	Australian Children's Education and Care Quality Authority
ASC	After School Care
BSC	Before School Care
DEEWR	Department of Education, Employment and Workplace Relations
ECEC	Early Childhood Education and Care
ECT	Early Childhood Teachers
FDC	Family Day Care
LDC	Long Day Care
MACS	Multifunctional Aboriginal Children's Services
NFP	Not for Profit
NQF	National Quality Framework
OSHC	Outside School Hours Care
TICCSS	Trends in Community Children's Services
VAC	Vacation Care

Executive Summary

The commencement of the National Quality Framework (NQF) on January 1 2012 has produced ground-breaking changes for education and care services. With over one million Australian children currently attending an Early Childhood Education and Care (ECEC) Service,¹ Australian Community Children's Services (ACCS) believes the implementation of the NQF, including the implementation of improved educator child ratios, is already providing better quality outcomes for children and families.

Close to one year into the national reforms, ACCS conducted a second wave of the Trends in Community Children's Services Survey (TICCSS) to hear experiences of children's services across Australia. Over 500 services participated in the survey in October/November 2012, representing all states and territories and Long Day Care (LDC), Outside School Hours Care (OSHC), Family Day Care (FDC), Preschool/kindergarten, In Home Care and Mobile Services.

Key findings of TICCSS include:

- Services are integrating the NQF into their operations and practice
- The national average daily fee for LDC was \$77.59
- Over half of services increased their fees in between the two TICCSS waves - the average daily fee increase for LDC was \$2.59
- The new educator child ratios are being met and services are preparing for next introductions due in 2014

Quality improvement is really important for our children and positive progress is being seen to be made with the new reforms. Well done for everyone's efforts.

Respondent

With the NQS and National Regulations the level of expectation of accountability and skill level has risen across the sector and this is a positive for the outcomes for the children within these services and the early childhood profession.

Respondent

- Services are preparing for the introduction of Early Childhood Teachers (ECT) in 2014
 - The sector is engaged in upskilling the existing workforce with more than one quarter of all employees currently engaged in studying for higher early childhood qualifications.
 - Again, TICCSS shows services across the country are well aware and attuned to the critical and essential education they deliver to Australian children and to the many challenges and opportunities that face the sector.

¹ Child Care in Australia, DEEWR, 2013 available at http://www.mychild.gov.au/documents/docs/Child_Care_In_Australia.pdf

Utilisation and waiting lists

While there has been much media reporting on families withdrawing their children from ECEC services due to prohibitively high fees, services are reporting extremely high rates of utilisation. Close to two thirds (63%) of services reported utilisation at 91-100%.

Long Day Care services again are in the most demand with 85% having a waiting list, with an average list of 51 children.

The waiting time for a place varies from service to service, however the longest waits are for the youngest children, with close to a third (31%) of services having waiting periods longer than a year for a place for a child aged from birth to less than two years old.

Ratios

One of the most discussed areas of the NQF has been the new national minimum ratios of educators to children. TICCSS shows all services are already meeting the ratios introduced at the start of 2012, while 83% of LDC services are already prepared for the next introduction in 2016. Some services have chosen to operate well over the national standards, recognising the relationship between quality and low ratios.

For children aged from birth to less than two years old, all LDC respondents were at least meeting the new national minimum standard of 1:4 educators to child ratio for this age group. Of these, 22% were operating their babies' room at educator:child ratios of 1:3 or better.

For children aged 3-5 the majority of the sector (83%) is already meeting the new standard due in 2016 three years ahead of time, with 72% exceeding it.

Workforce

In my opinion all educators should have a minimum degree qualification and be adequately paid for their work

Respondent

The successful implementation of the NQF depends on having a skilled and qualified workforce.

The TICCSS shows that while 10% of the workforce currently has no qualification, 25% are currently engaged in studying for an early childhood qualification.

Furthermore, in preparation for the 2014 requirement for the employment of Early Childhood Teachers in LDC services, over two thirds of LDC services have either a

four-year or three-year degree qualified teacher.

While TICCSS shows that recruitment can be difficult for many services it is not necessarily a product of the NQF, but rather a product of an under-valued and under-remunerated workforce with poor support pathways into education.

Wider than TICCSS, the undervaluing of the Early Childhood workforce is gathering attention with an equal pay case being submitted to FairWork Australia by United Voice and the Australian Government pledging \$300 million for the Early Years Quality Fund. However both these initiatives are limited in their reach to the sector. The Early Years Quality Fund is only available to select LDC services and the equal pay case, if successful, will depend upon the award educators are paid under.

Fees

While affordability of services for Australian families continues to be on the public and political agenda, TICCSS shows services offering relatively accessible fees with limited increases from May to November 2012. The average LDC fee in Nov 2012 was \$77.59.

NQF

Taken within the same year as the first wave, the second wave of TICSS does not show significant changes, between the waves, on the impact of the NQF on services. Given the closeness in time to the first wave ACCS believes this indicates that the services are steadily integrating NQF into their operations and practice.

Our Centre is not in crisis, business is good and educators have embraced all the changes extremely well and are competent in EYLF & NQS.

Respondent

Introduction

Children's services in Australia are close to two years into the eight-year national plan that commenced on 1 January 2012 to significantly improve the education and care provided to children and families. These positive changes support learning and development in the critical early years with skilled and qualified educators, consistent minimum standards across the nation and a robust uniform quality assurance system underpinned by wise frameworks to ensure child centred, reflective practice.

In addition to the reforms under the NQF the ECEC sector have had several high profile developments including:

- The commencement on 1 January 2013 of universal access to 15 hours a week of preschool delivered by a qualified early childhood teacher in the year before school
- Australian Government launch of the Better Schools: Before and After program with \$450 million of funding for 500 schools
- The launch of an equal pay case through FairWork Australia by United Voice
- Injection of \$300 million from the Australian Government in their Early Years Quality Fund to support increased wages for educators in LDC

2012	<ul style="list-style-type: none"> • 1:4 educator to child ratios for children aged under two years
2013	<ul style="list-style-type: none"> • Every child to have access to 15 hours/week of preschool delivered by a qualified early childhood teacher in the year before school
2014	<ul style="list-style-type: none"> • All long day care and preschool services to employ a qualified early childhood teacher • Fifty per cent of educators to have, or to be working towards, a Diploma level or higher qualification • All remaining educators to have, or to be working towards, a Certificate III qualification (or equivalent)
2016	<ul style="list-style-type: none"> • 1:11 educator to child ratios for children aged 3-5 years
2020	<ul style="list-style-type: none"> • All long day care and preschool services with 60 children or more to employ a second early childhood teacher, or another suitably qualified leader

ACCS advocates for the right of Australia's children to access quality NFP children's services and welcomes and actively supports the reforms. ACCS recognises that research is vital to track the implementation of the reforms, to ensure the experiences of services are heard, to counter alarmist claims of those who oppose them and to identify gains and real challenges requiring policy attention.

Gap in knowledge

ACCS is acutely aware of the limited sources for information on the experiences of early childhood services in Australia, and, in particular, of NFP services.

Since the last Census of Child Care Services in May 2006, the Australian Government has released sporadic reports on child care statistics.² However the short reports and the census do not distinguish between the NFP children's services and commercial, for-profit services.

The Australian Children's Education and Care Quality Authority (ACECQA) is publishing the results of quality assessments of services by relevant Regulatory Authorities under the NQF; again it does not distinguish commercial, for-profit services from NFP services.

ACCS knows that the experiences of the NFP sector are often very different to their commercial counterparts and believes these NFP voices should be heard. Given the formative change happening in our sector, this data gap is resulting in a lack of understanding of how the NFP sector is responding to the reforms.

Research driven by the NFP sector on the NFP sector, can provide different data on successes and challenges and shine a light on the experiences of these services around Australia.

Early childhood aligned with profit is a gross invasion of children's right to education and care.

Respondent

TICCSS: addressing a gap in knowledge

As the peak body for not for profit children's services, ACCS recognised the gaps in knowledge and with the initial TICCSS in May 2012, commenced an ambitious research agenda to track the experiences of community children's services in Australia. With biannual surveys to the sector in the first year and annual surveys thereafter, TICCSS has monitored the experiences of children's services across Australia in one of its most transformative years. Research focuses have included educator child ratios, utilisation, waiting lists, fees (including increases), experiences in implementing

² <http://deewr.gov.au/australian-government-census-child-care-services-2006-census>
Other reports available here <http://www.mychild.gov.au/pages/ResourcesReports.aspx>

the NQF, existing and emerging vulnerabilities in communities and experiences with regard to recruiting and retaining staff.

Most importantly, with its main audience being NFP children's services, TICCSS sheds a light on the specific experiences of this sector.

Conducted in May/June 2012, the first wave of TICCSS attracted responses from 640 services around Australia. Recognising the significance of the first year of the reforms, the second wave was conducted in October/November 2012 and captured the experiences of over 500 services including the development of Quality Improvement Plans, appointment of Educational Leaders and the commencement of assessments.

Responses in both TICCSS waves were as varied as the ECEC sector, representing all states and territories, a range of service sizes (from 25 places or less to 80 plus places) and a range of metropolitan, regional and remote areas in Australia. The respondents deliver a range of services to meet the needs of Australian families including long day care, before and after school care, kindergarten/preschool, family day care, vacation care, in home care, multi-functional Aboriginal children's services, occasional care and mobile services for rural and remote families.

Responses were from the three main operation models: stand-alone community based (not for profit), large NFP organisations (such as YMCA, Goodstart, and church organisations) and commercial providers. However, reflecting the membership of ACCS, the NFP services, small and large, were the main respondents and the main subjects of this report.

The TICCSS is designed to be explorative. The findings, and this report, are intended to be indicative of what is happening in the sector and not representative. ACCS believes it provides vital information to track changes in the sector as government policy brings about the transformation to ensure consistently high quality education and care.

We also anticipate that TICCSS may assist in identifying areas where more extensive research could be conducted.

State/Territory	Wave 1 (May/June 2012)	Wave 2 (October/November 2012)
Western Australia	100	150
Victoria	150	200
Tasmania	50	70
South Australia	70	100
Queensland	120	180
Northern Territory	50	70

Demographics

State and Territory Responses

Around the country, ECEC services are delivering essential education and care for Australian families and children.

TICCSS, as the only research that is designed for not for profit children’s services specifically, includes comprehensive representation from services all over Australia delivering many types of education and care.

Over 500 services participated in the second wave of TICCSS responding to the survey in October and November 2012. The timing for the second wave was chosen by ACCS to allow services to share their experiences 10 months into the first stage of the implementation of the NQF, the development of their initial Quality Improvement Plans and the commencement of the first of the assessment and ratings visits undertaken by ACECQA.

All states and territories were represented with the largest response from the higher populated states – Victoria and New South Wales. It should be noted that the first wave and second wave surveys attracted different numbers of respondents from State’s and Territories. It should also be noted respondents in this second wave may not have participated in the first wave. This research is not intended to track changes in individual services but provides an indicative snapshot at the time of the survey.

Table 2: State and Territory breakdown of respondents

	2012 May/June	2012 Oct/Nov
Australian Capital Territory	0.2%	1.8%
New South Wales	28.3%	43%
Northern Territory	0.5%	3.2%
Queensland	21.2%	8.2%
South Australia	6.1%	11.2%
Tasmania	1.5%	0.4%
Victoria	39.8%	28.8%
Western Australia	2.5%	3.4%

Management Types

While TICCSS primary target is not for profit services, some responses indicated they were from commercial, for-profit services.

Key findings include:

- Forty-five per cent of respondents were from stand-alone parent managed services (including school committees/groups, incorporated associations and cooperatives).
- Forty-three per cent of respondents were from a not for profit organisation or local council (i.e. YMCA, local government, church organisation or GoodStart Early Learning).
- The remaining 12% identified as being a commercial company or private owner.

Unless specified otherwise, data in this report includes all management types and service types.

Size of Service

Similar to the first wave, the second wave of TICCSS attracted responses from services of all sizes. Ten per cent of services were very small (less than 25 places), 50% small (26-59 places), 20% large (60-79 places) and 19% very large (80+ places).

While TICCSS included responses from the major services in most states and territories, the majority of the Outside School Hours Care services (OSHC) were from New South Wales and Victoria.³

Geographical Locations

Representing a spread of geographic locations, over two thirds (67%) of respondents were from major cities, 29% from regional Australia and one and a half percent from remote or very remote Australia.⁴

³ Outside School Hours Care includes services that deliver any of the following – Before School Care (BSC), After School Care (ASC) and Vacation Care (VAC).

⁴ Ninety-five per cent of services provided addresses that allowed for coding using the Australian Bureau of Statistics Australian Standard Geographical Classification. Regional Australia includes inner regional and outer regional.

Service Types

Again LDC was the dominant service type in TICCSS, however many respondents delivered more than one service. Of the 59% of services that provided LDC, 35% also provided preschool/kindergarten. See Table 3 for further breakdown.

	2012 May/June	2012 Oct/Nov
Long Day Care (LDC)	53%	59%
Before School Care (BSC)	29%	15%
After School Care (ASC)	35%	19%
Vacation Care (VAC)	25%	12%
Occasional Care (OCC)	6%	7%
Kindergarten/Preschool	29%	40%
Family Day Care (FDC)	5%	7%
In Home Care	1%	1.4%
Multi-functional Aboriginal Children's Services (MACS)	0.3%	0.2%
Mobile Service	1%	2%

⁵ NB: adds to more than 100% as many respondents deliver multiple service types.

Waiting Lists, Utilisation and Ratios

The availability of children services for Australian families is often discussed. TICCSS provides data on service utilisation and waiting lists across the age groups, giving a broad picture of areas in constant demand.

Utilisation

Demonstrating the critical need for ECEC services, more and more services have reported extremely high utilisation rates, with 14% more services reporting 91-100% utilisation in October than had previously been reported in May. 60% of services had high average weekly utilisation (91-100%), 18% had reasonably high (81-90%), while 19% had utilisation at less than 80%.

Consistent with the first wave, LDC has the highest rates of utilisation among services available.

Even though new requirements cost more and take more work to implement they are very badly needed to increase the quality of education and care for all children. Increased ratios and staff qualifications are well worth paying for.

Respondent

Table 4: Average Weekly Utilisation 2012

Utilisation Rate	All Services		LDC		OSHC	
	May/June	Oct/Nov	May/June	Oct/Nov	May/June	Oct/Nov
91-100%	49%	63%	60%	68%	25%	32%
81-90%	22%	18%	23%	17%	23%	26%
71-80%	13%	8%	9%	7%	24%	16%
61-70%	8%	7%	4%	6%	13%	13%
Less than 60%	8%	4%	4%	3%	15%	14%

Waiting Lists

In planning for education and care options for children, many families will experience a wait in finding a place in certain areas and preferred services. Three quarters of all services have a waiting list, in particular LDC services where 85% have waiting lists.

Waiting lists for the youngest children is commonly believed to be the longest. TICCSS shows that on average, services will have 51 children on the waiting list for the 0-2 year old age group. The wait on these lists varies; one third of services reported waiting periods of six to twelve months, 25% one to two years and six per cent longer than two years.

Educator and Child Ratios

One of the most discussed areas of the NQF has been the new national minimum standards for ratios of educators to children. These are bringing in line previously differing ratios from state to state, to provide consistency across the country with the numbers of educators required for children according to age groups.

Contrary to the reports that this area of the NQF is creating problems for services, TICCSS shows services are meeting the ratios already introduced. The majority of services (83%) are already meeting the ratios due for implementation in 2016 and some services have chosen to operate well above the national standards, recognising the relationship between quality and low ratios.

Zero to two year olds

For 0-2 year olds, all LDC respondents were at least meeting the new national minimum standard of 1:4 staff to child ratio for children aged 0-2 years and 22% were operating their babies' room at educator child ratios of 1:3 or better.

Furthermore 10% of LDC services planned to increase their staffing levels in their babies' rooms in the first half of 2013.

Three to five year olds

A national minimum standard of one educator for every 11 children aged 3-5 year olds will apply from 2016. The first wave of TICCSS in May 2012 showed that the sector was already working hard to meet this ratio and there has been further progress. In November 2012, the majority of the sector (83%) was meeting the standard (three years ahead of time), and 72% exceeding it. Furthermore, more than half (53%) are operating at better than 1:10. See Table 5 for further breakdown.

Ratios	2012 May/June	2012 Oct/Nov
Better than 1:10	47%	53%
1:10	20%	24%
1:11	5%	6%
1:12	12%	8%
1:13	1%	1%
1:14	0%	0.0%
1:15	14%	9%

⁶ Please note that due to rounding off, some percentages will not add to 100.

Of the 17% of LDC services that are yet to transition to the new minimum, close to two thirds indicated they were going to make the move before 2015.

School aged children

The NQF introduced a minimum of 1:15 educator child ratios for school age children, however many states had better ratios already in place. Forty-one per of respondents delivering OSHC services operate at the NQF 1:15, with 38% operating at 1:12 or better, including 26% operating at 1:10 or better.

Our Program is running very smoothly due to continuity of staff, low fees and parent support. The new regulations have increased our paper work but we try to focus on keeping our standard of care for the children at a high level and not stress ourselves about paperwork.

Respondent

Table 6: Educator Qualifications October 2012

17%	Have no qualification
37%	Have completed a Cert III
3%	Have completed a Cert IV (OSHC)
22%	Have completed a Diploma (including advanced)
5%	Have completed a three year degree
5%	Have completed a four year degree
3%	Have a post graduate qualification

Workforce

Educators' Qualifications

The first wave of TICCSS provided a comprehensive profile of educators in Australia in relation to their current qualifications and any relevant study they were undertaking. The second wave of TICCSS draws on the experience of more than 5,500 educators. Taken in the same academic year as the first, it shows those initial numbers staying steady, with some small increases. ACCS expects that the next wave of TICCSS will show considerable difference, as many who are currently engaged in studies will have graduated and new students will have commenced with the new academic year.

Our staff, educators and families have embraced the NQF and we have had to make minimal changes because of them. Anything that increases the standard of education and care for all children is valued here. Our relief staff (many of whom are not yet qualified) have enthusiastically undertaken studies.

Respondent

Certificate III and Diploma qualifications

In 2014, 50% of educators in every service are required to have or be working towards a Diploma. Presently across the sector, 35% of educators have a diploma while 12% are currently working towards this qualification.

From 2014, the Certificate III qualification will become the minimum requirement for educators. TICCSS shows that 37% of the workforce has a Certificate III while 7% are working towards one.

Table 6: Educators' Qualifications Oct/Nov 2012

Have no qualifications	11%
Have completed a Cert III	37%
Have completed a Cert IV (OSHC)	2%
Have completed a Diploma (including advanced)	35%
Have completed a three year degree	6%
Have completed a four year degree	8%
Have a post graduate qualification	2%

Total % engaged in studying	26%
Working towards a Cert III	7%
Working towards a Cert IV (OSHC)	0.4%
Working towards a Diploma (including advanced	12%
Working towards a three year degree	2%
Working towards a four year degree	4%
Working towards post graduate qualification	1%

Early Childhood Teachers

Ahead of the 2014 requirement for all LDC and preschool services to employ a degree qualified Early Childhood Teacher, 69% of LDC services reported having either at least one educator with a four-year degree or at least one educator with a three-year degree in early childhood education. Upon the completion of the 2012 and 2013 academic year it is believed there will be a greater pool of teachers from which services may recruit.

Furthermore 25% of services reported having at least one educator currently working towards a four-year degree. This could be indicative of educators embracing the professionalisation of their sector and taking up opportunities for higher qualifications.

Recruitment Experiences

Very similar to the last TICCSS, 27% of services have a vacancy for an educator position at the time of responding.

Compared to 73% in the first wave, only 60% of services recruited for an educator in the six months prior to the second wave of TICCSS.

Thirty-two per cent of these recruits were for Certificate III positions, 36% were for Diploma, 16% were for degree level and two per cent for directors/coordinators.

Satisfaction with recent recruitment experiences were similar to earlier in the year with 49% of responses satisfied with the field of applicants who applied for the position, 87% for the successful educator's suitability for the role and 90% satisfied with the educators' qualifications.

Experiences of recruitment for particular position levels were relatively similar to the first wave of TICCSS, however there were slight decreases in the difficulty in recruiting for Certificate III and Diploma positions.

Positions	Very difficult	Moderately difficult	Sometimes difficult	Occasionally difficult	Never difficult
Certificate III	17%	21%	25%	18%	19%
Diploma	40%	24%	18%	12%	5%
Degree	66%	15%	8%	7%	3%
Director/ Coordinator	73%	13%	5%	5%	4%

May/June 2012	Nov/Oct 2012
<ol style="list-style-type: none"> 1. Low wages 2. Applicants are not suitably skilled or qualified 3. Working hours 	<ol style="list-style-type: none"> 1. Applicants are not suitably skilled or qualified 2. Low wages 3. Wage differentials between qualifications and/or different service types

As in the first wave, services were asked to identify the most difficult factors in recruiting. In this second wave of data, there has been a swap in the factors of “low wages” and “applicants not being suitably qualified” - however the difference between the two is not significant.

ACCS believes the change in the third most difficult factor results from services commencing recruitment for ECT positions ahead of the minimum introduction in 2014. This could be attributed to degree qualified early childhood teachers being able to earn considerably more when working in the preschool or primary school education system.

Professional Development and Support

Similar to the first round of TICCSS, services continue to support their educators’ professional development in various ways. The data suggests the workforce is embracing opportunities to upskill and to participate in on and off site professional development.

More than two thirds of services provide time off, or time in

Rural areas are disadvantaged at obtaining training.

Respondent

lieu, to complete short course, and 86% pay the short course fees.

As well, in recognition of the importance of improving the qualifications of educators already working in the sector, a considerable number of services (40%) provide time off, or time in lieu, to complete longer courses at TAFE, private RTOs or Universities.

Time off or in lieu to complete short courses	68%
Pay fees for short courses	86%
Time off or in lieu to complete long courses at TAFE colleges, private RTOs or University	41%
Pay fees for long courses at Tafe colleges, private RTOs or University	32%
Pay staff for their time to complete placements at other services	24%

LDC Sector	Area
NAVOET	
\$71.08	National
\$76.06	South Australia
\$73.93	New South Wales
\$83.87	Victoria

Fees

Current Fees

While affordability of services for Australian families continues to be on the public and political agenda, TICCSS shows that services are offering relatively accessible fees with limited increases from May to November 2012 and the average LDC fee in Nov 2012 being \$77.59.

Many services have complex fee structures and breaking down to a daily unit can be difficult. Furthermore, some services (29%) provide nappies as part of their fees and 59% provide meals which increase service operating costs.

Government data released in 2013 shows that there has been a reduction of out-of-pocket costs associated with children's services fees for Australian families.⁷ For families with a gross income of \$75,000 p.a. and one child in full-time LDC, out-of-pocket costs dropped from 13% in 2004 to 8.4% in 2012. Similarly, for families with a gross income of \$115,000 p.a., out-of-pocket costs dropped from 11.4% in 2004 to 8.6% in 2012.⁸ Nonetheless, it is worth noting that over both the TICCSS waves financial strain was identified as the most common factor for children's vulnerability. This more general financial strain experienced by families, could exacerbate the balance between salary and ECEC fees.

Table 11: Average Daily LDC fees 2012

Area	LDC Sector
	Nov/Oct
National	\$77.59
South Australia	\$75.86
New South Wales	\$73.93
Victoria	\$82.87

⁷ Out of pocket is defined as the proportion of weekly disposable income that families spend on child care services.

Note that TICCSS does not allow for this kind of analysis as it only sources fees from services.

⁸ Child Care in Australia, DEEWR, 2013, pg 8, available at http://www.mychild.gov.au/documents/docs/Child_Care_In_Australia.pdf

Table 12: OSHC Average Fees per session 2012⁹

Area	BSC		ASC		VAC	
	May/June	Oct/Nov	May/June	Oct/Nov	May/June	Oct/Nov
National	\$11.90	\$10.62	\$16.43	\$14.98	\$45	\$39.36

Fee Increases

We are trying to provide a service to our school, not make a profit.
Respondent

While fee increases for families continue to get considerable media coverage, just under half of the services actually increased their fees in the six months preceding the survey. The average increase for daily fees for LDC was \$2.59, as tracked between the two waves of TICCSS.

Again the main reason identified for fee increases was the normal rise in cost of living (CPI) with over three three-quarters of services (76%) listing this as number one.

Recognising the need for better wages for educators, increased staff wages was cited as the number two reason (61%) for fee increases, while changes to meet increased minimum regulatory standards was at number three with 37%.

I would like to see a separate additional CCB for children identified as at risk or vulnerable. These children need to be in a caring, learning environment. When the families cannot pay the fees, childcare ceases. This is not in the best interest of the child.
Respondent

Reactions to fee increases

In 4 years our fees have risen nearly \$20 per day and this has not once affected our status of families, nor have we had families leave due to increases.
Respondent

Similar to the first wave of TICCSS services were asked to report on how families have reacted to fee increases.

Over half of services (55%) reported no negative reaction to their fee increases, with 55% stating their families did not express frustration, reduce hours, leave the service or say they were under financial stress.

However 36% of services stated families did reduce their hours, 28% stated families

⁹ Please note that the OSHC data is indicative with a reasonable difference in the amount of OSHC services participating in the second wave TICCSS. However the data and the comments from services show that it is a sector that is working hard to deliver accessible services that support families while providing high quality education and care to school aged children.

expressed frustration at increases, 23% stated they were under financial stress and 16% had families leave because of the increase.

At the time of responding (Oct/Nov 2012) close to half of services planned for an increase to fees at the start of 2013.

Table 13: Families Reaction to Fee Increases (all services)	
Families expressed frustration due to the increase	28%
Families said they are under increased financial stress due to the increase	23%
Families leaving your service due to the increase	16%
Families reducing hours/days with your service due to increase	36%
None of the above	55%

National Quality Reforms:

Experiences with the NQF: The First Six Months

Overall, the TICCSS data shows services integrating the NQF into their operations and practice. Less than a year into the first stage of the reforms, 18% of services stated the NQF meant normal business or reduced workload for them.

However, as with many new systems, there were signs of services still adapting to the new reporting requirements with 53% of services stating the NQF had greatly increased their workload and 30% reporting that their workload had slightly increased.

ACCS will continue to conduct to TICCSS to monitor the experiences of services as they integrate the NQF into their operations and move through the first round of assessment and ratings. ACCS will continue to inform ACECQA and state and territory regulatory bodies of the issues and challenges identified by services through TICCSS.

As with the first wave, TICCSS asked services to rate their top issues in the previous six months. The top issues were:

1. Increased paper work to meet legal obligations and government regulations (80%)
2. Insufficient paid time to complete tasks (60%)
3. Inability to recruit suitably qualified educators (30%)
4. Educators' reluctance to embrace change (28%)

Interestingly, while increased paper work maintained its number one spot, staff reluctance to embrace change dropped from number two to number four.

We have embraced the Reforms in a positive way and have had to make minimal changes to our service.

Respondent

Workloads have increased because the expectation of commitment within all roles has risen and again this can only benefit the children and their families.

Respondent

Waivers

We have had very few issues as we have chosen to embrace the change rather than be negative about it.

Respondent

Waivers from meeting the *Education and Care Services National Regulations* support services that, for one reason or another, cannot meet some of the new NQF standards. While these are available to all services through an application process with ACECQA, the vast majority (90%) of the sector is meeting the NQF without the need for any waivers.

Ten per cent of services stated they had a waiver from meeting one or more of the standards in the *Education and Care Services Regulations*.

A staff qualification waiver was the most common (60%), followed by educator and child ratio waiver (23%)

Assessments

One of my major concerns about the rating and assessment is that most services in Victoria seem to be getting "working towards" and contrary to ACECQA protestations, the public see this as meaning "not good enough"

Respondent

At the time of TICCSS, assessments had just commenced and not enough services had undergone the assessment to share experiences. However ACECQA is now reporting that more than half of services have completed an assessment and ACCS looks forward to capturing these experiences in the future TICCSS.¹⁰

Even though new requirements cost more and take more work to implement they are very badly needed to increase the quality of education and care for all children. Increased ratios and staff qualifications are well worth paying for.

Respondent

¹⁰ "Children's Services meet and exceed new standards", ACECQA, August 2013. Available at <http://www.acecqa.gov.au/children-s-services-meet-and-exceed-new-standards>

Communities and vulnerabilities

Vulnerable Children

Better connections with other Child and Family Agencies have meant children are identified and partnerships for providing care are developed.

Respondent

ACCS recognises the key role that ECEC services play in Australian children's safety, health and well-being and the support network services their families' need.

Having strong connections and relationships with children and families often means that ECEC services are aware of challenges and

vulnerabilities in their communities earlier than targeted child protection services.

ACCS defines vulnerability as children with a range of risk factors that are challenging or affecting their development and learning.

TICCSS asked if services had seen an increase or change to vulnerability in their community. Over future TICCSS, this data will provide a clearer picture of emerging vulnerabilities across Australia and how children's services support children and their families.

As we are becoming more established and the service providers in our community are becoming aware of our presence, we are having more referrals for children from vulnerable families to be enrolled including those from child protection and newly arrived refugee families.

Respondent

Key Facts

- Eighty-five per cent of services identify as having vulnerable children in their service.
- Nearly half of all services (47%) have only a few vulnerable children, nearly a third (30%) have some and six per cent reported that the vast majority of their children were vulnerable.
- Just over one quarter of services (26%) reported an increase in the number of vulnerable children in their communities over the last six months, while 74% reported no change and three per cent reported a decrease.
- Twenty-three per cent of services noticed a change in the types of vulnerability in their communities.

Our service is located in one of the most vulnerable communities in the state of Victoria. There are increasing levels of domestic violence, increasing gambling and families under financial pressures... we have families that are starting to open up more about their needs.

Respondent

We have a priority of access for children who are vulnerable and have behavioural and learning difficulties so we have a long history of inclusion

Respondent

Consistent with the first wave of TICCSS, the two most common areas of concern identified by services were financial stress and additional needs and behavioural and development issues.

Eight per cent of all services identified financial stress or strain as an issue affecting the vulnerability of children in their services.

Six per cent of services identified some form of additional needs (including developmental, behaviour, autism or undiagnosed conditions) as an issue affecting the vulnerability of children in their service.

We are more familiar with the indicators [of Autism Spectrum Disorder] and seek assistance ASAP. This is a collaborative effort between educators and parents of the child concerned and relevant agencies.

Respondent

The preschool has formed partnerships with local services including the refuge and Aboriginal services. Our fees have been reduced to \$5 per day for ATSI children and families with pension cards. Transport is also provided to pick up and drop off ATSI children and children who would not access our service without transport. This has closed the gap for many families to access preschool. Employment of 3 ATSI Educators has also developed a sense of belonging for families.

Respondent

Our service is located in one of the most vulnerable communities in the state of Victoria. There are significant levels of domestic violence, financial hardship and families with mental health issues. We have families that are finding it hard to cope about their needs.

Respondent

We have a priority of access to children who are vulnerable and have behavioural and learning difficulties so we have a high level of inclusion.

Respondent

- ### Key Facts
- Eighty-five per cent of services identify as having vulnerable children in their services.
 - Nearly half of all services (47%) have only a few vulnerable children, nearly a third (30%) have some and six per cent reported that the vast majority of their children were vulnerable.
 - Just over one quarter of services (26%) reported an increase in the number of vulnerable children in their communities over the last six months, while 14% reported no change and three per cent reported a decrease.
 - Twenty-three per cent of services noticed a change in the types of vulnerability in their communities.

Methodology and Research Design

Research Aims

The Trends in Community Children's Services Survey aims to answer the following research questions:

1. What changes are occurring in community children's services in fees charged to families, utilisation and waiting lists, educator qualifications, educator child ratios and recruitment?
2. What are the positive impacts and challenges faced by not for profit community children's services in Australia and their families with regard to the implementation of the NQA?
3. What changes are occurring in the profile of children and families presenting, or not presenting, in particular vulnerable children?

Research Design

This research draws on a survey that is open to all services but targeted at NFP children's services. In the first year of the implementation phase of the NQF, ACCS conducted the survey in May/June and then again in November/October in order to get a thorough understanding of how not for profit children's services were experiencing the reforms. While these two waves in the first year have allowed for a thorough understanding of experiences of services there have been limitations to the comparison between waves due to the short time in between.

From 2013 the survey will be conducted annually which will allow for greater tracking data, in particular of workforce qualifications (as an academic year will have past and will allow the capture of data on new graduates and students), fee increases (which traditionally happen at the start of each year).

The survey is a simple electronic questionnaire, open to directors/coordinators from children's services of all types – LDC, OSHC, FDC, IHC, OCC, MACS, preschools etc.

The Trends in Community Children's Services Survey in its current form with the limited resources attached is designed to be explorative and a continual reflective learning process. The findings are designed to be indicative and not representative. The research findings will be able to assist in identifying areas where more extensive research could be conducted.

The research is designed to gather data on the following:

Demographics

- Services types
- Number of licensed places
- Locations
- Management type (NFP organisation, parent/community owned or commercial)
- Utilisation and waiting lists

Workforce

- Percentage of educator vacancies
- Ease/difficulty in recruiting
- Quality of qualifications and applicants
- Support offered for staff professional development

Fees:

- Average fees
- Fee increases (past and predicted)
- Communities reactions to changes in fees

National Quality Reforms:

- Experience with implementation
- Frequency and type of waivers
- Experiences with assessments

Communities and vulnerabilities

- Number of vulnerable families supported through the service
- Changes in vulnerabilities in the community

Data, where possible, is cross-referenced against service types, location (depending on disclosure this may break down to metro, regional and to the *Socio-Economic Indexes for Areas* decile ranking) etc.

Survey Distribution

The Trends in Community Children's Services Survey Communication Strategy utilises a snowball technique to gather the sample through the ACCS membership base and informal networks and contacts. Email invitations to participate in the survey are circulated through members and contacts requesting them to forward the survey to their contacts.

This is providing a diverse sample for the survey. ACCS strongly believes that given the limitations of the research this technique is the most ideal.

While it is designed and focused on not for profit services, it is open to services from all management types and has attracted some for profit participation.

Evaluation

ACCS has built in an evaluation process after each wave of the Trends in Community Children's Services Survey. The evaluation focuses on the following points:

1. The uptake of survey participation across states and territories, metro and regional and service types
2. The completion rate of the survey (are services comfortable with answering all questions, does it appear they struggle with some questions in particular)

3. The process of analysis of the survey (can it be more robust and/or streamlined)
4. The dissemination of the report and uptake of the data externally

Current Limitations

Trends in Community Children's Services Survey findings are framed around an acknowledgement of the limitations of the research methodology.

First and foremost, the findings are indicative of what is happening in the sector but are not necessarily representative of all NFP community services.

Due to snowball technique used by TICCSS to gather a sample, there will always be variables between waves of services and types of services that respond. This can, at times, limit the ability for rich comparison between TICCSS waves.

Given the lack of comparative research ACCS is confident that this indicative data begins to address the considerable data gap that presently exists.

Some service types and regional areas are better connected to the ACCS network. Relying on a snowballing approach to gathering a sample means that some areas of the ECEC sector may not be reached in the initial waves. ACCS is working to ensure that each wave further extends the reach of the awareness and participation in the TICCSS.

If you have any questions regarding to TICCSS methodology or data or ACCS more generally please contact ACCS Secretary at auscss@cccinc.org.au.