



Independent Schools Queensland  
Submission to:

Childcare and Early Childhood Learning  
Productivity Commission Draft Report  
September 2014

Independent Schools Queensland welcomes the opportunity to provide this submission in response to the Productivity Commission Draft Report on Childcare and Early Childhood Learning.

Independent Schools Queensland (ISQ) is the peak representative body for the independent schooling sector in Queensland. ISQ provides leadership and support to member schools and represents and promotes the interests of independent schools to government and the community.

Our 189 member schools are a vital part of the state's education system. Together, these schools educate almost 116,000 students, or 15 percent of Queensland's school enrolments. Further, over 100 independent schools offer early childhood care and learning programs, with this number increasing annually. All of these early childhood services provide State government approved kindergarten programs in either a long day care or dedicated kindergarten setting.

Independent schools offer parents' choice in the education of their children. They enable families to select schools and early learning programs that best serve the child's needs. Independent schools also enable families to choose school/early learning program that best promotes the values they believe are important. Independent schools are, therefore, a diverse group and include:

- Non-denominational schools
- Schools with church or ethnic affiliations. For example, Lutheran, Anglican, Baptist, Jewish and Islamic schools
- Montessori schools
- Steiner schools
- Schools that specialise in serving students with learning difficulties
- Special Assistance Schools
- Schools for Indigenous students
- Schools with programs for gifted and talented students

This, in turn, reflects the diversity in the provision of childcare and early childhood learning programs in the Queensland independent sector.

## EXECUTIVE SUMMARY

Independent Schools Queensland (ISQ) acknowledges the significant investment made by the Australian Government in supporting universal access to early childhood education, through both the former *National Partnership Agreement on Early Childhood Education (NP ECE)* and the current *National Partnership on Universal Access to Early Childhood Education (NP UA)*.

The National Partnerships have enabled the delivery of the Queensland Government's Kindergarten Funding Scheme and have facilitated significant progress towards universal access, increasing the proportion of four year old children participating in an approved kindergarten program in Queensland from 29% to 97%. With the *National Partnership for Universal Access to Early Childhood Education* concluding at the end of 2014, ISQ strongly advocates for a continuation of this level of funding or its equivalent.

ISQ recognises the importance of streamlining the current federal Child Care Benefit (CCB) scheme and supports a simplified subsidy model, including the provision of supplementary support for all children with additional needs, which directly funds service providers. ISQ supports an equitable system which would grant greater parental flexibility in choice of service than is currently available.

With over 100 early childhood services and many more Outside School Hours Care services, the independent schooling sector in Queensland has embraced the requirements of the National Quality Framework. ISQ would support a reduction in red tape, refining of National Regulations and National Quality Standards and the streamlining of the assessment and ratings process, without sacrificing quality.

Accessible programs, quality teachers, financial support for families, special needs funding, support for vulnerable, disadvantaged and indigenous children and families, and smooth transitions to school are essential to the continuing engagement of Queensland families in our early childhood and OHSC programs.

For a comprehensive understanding of the diverse requirements of the early childhood sector in Queensland, Independent Schools Queensland recommends it should be included in further consultation and any future reviews of the National Quality Framework.

## RESPONSE TO RECOMMENDATIONS

### FAMILIES USING MAINSTREAM SERVICES – IMPROVING THE ACCESSIBILITY, FLEXIBILITY AND AFFORDABILITY

#### **DRAFT RECOMMENDATION 12.2**

*The Australian Government should combine the current Child Care Rebate, Child Care Benefit and the Jobs Education and Training Child Care Fee Assistance funding streams to support a single child-based subsidy, to be known as the Early Care and Learning Subsidy (ECLS). ECLS would be available for children attending all mainstream approved ECEC services, whether they are centre-based or home-based.*

Independent Schools Queensland (ISQ) supports the streamlining of the current federal Child Care Benefit (CCB) scheme into a more simplified subsidy model, which directly funds service providers. This includes support for the provision of supplementary support for all children with additional needs, while ensuring that no child, family or service suffers loss of funding.

ISQ supports an equitable system that ensures greater parental flexibility in choice of service than is currently available.

ISQ notes that there are currently issues in relation to the distinction between ‘Approved’ and ‘Registered’ Care. As per ISQ’s previous submission to the Productivity Commission, see responses to Recommendations 8.3 and 9.1.

#### **DRAFT RECOMMENDATION 8.3**

*The Australian Government should abolish operational requirements that specify minimum or maximum operating weeks or hours for services approved to receive child-based subsidies.*

ISQ supports the recommendation that requirements that mandate minimum operating hours for services to receive child-based subsidies should be abolished.

This would enable dedicated kindergarten services which are in scope of the National Quality Framework but choose not to operate for 8 continuous hours per day or for a minimum of 48 weeks per year to be eligible for approval to receive child-based subsidies.

Families should be able to choose an early childhood service that best suits the needs of their child and the particular needs of their family. Access to child-based subsidies should be equitable and not the defining motivation for choice. Removal of the minimum operating hours and weeks will enable access to child-based subsidies to be consistent across service types.

## ADDITIONAL NEEDS CHILDREN AND SERVICES – IMPROVING THE ACCESSIBILITY, FLEXIBILITY AND AFFORDABILITY

### DRAFT RECOMMENDATION 12.6

*The Australian Government should establish three capped programs to support access of children with additional needs to ECEC services.*

- *The Special Early Care and Learning Subsidy would fund the deemed cost of meeting additional needs for those children who are assessed as eligible for the subsidy. This includes funding a means tested proportion of the deemed cost of mainstream services and the ‘top-up’ deemed cost of delivering services to specific groups of children based on their needs, notably children assessed as at risk, and children with a diagnosed disability.*
- *The Disadvantaged Communities Program would block fund providers, in full or in part, to deliver services to specific highly disadvantaged community groups, most notably Indigenous children. This program is to be designed to transition recipients to child-based funding arrangements wherever possible. This program would also fund coordination activities in integrated services where ECEC is the major element.*
- *The Inclusion Support Program would provide once-off grants to ECEC providers to build the capacity to provide services to additional needs children. This can include modifications to facilities and equipment and training for staff to meet the needs of children with a disability, Indigenous children, and other children from culturally and linguistically diverse backgrounds.*

ISQ supports the recommendation of the establishment of three capped programs to support access of children with additional needs to ECEC services, while ensuring that no child, family or service is worse off.

The independent school sector in Queensland plays a very important role in the provision of services to support access for children with additional needs to ECEC programs. These services should have equitable access to programs that attract supporting subsidies to ensure continued provision and extension of these services.

ISQ would want to ensure, that in supporting this recommendation, preschool/kindergarten programs in long day care services have access to the Inclusion Support program.

## **DRAFT RECOMMENDATION 12.8**

*The Australian Government should continue to provide support for children who have a diagnosed disability to access ECEC services, through:*

- *access to the mainstream ECEC funding on the same basis as children without a disability and up to a 100 per cent subsidy for the deemed cost of additional ECEC services, funded from the Special Early Care and Learning Subsidy*
- *block funded support to ECEC providers to build the capacity to cater for the needs of these children, funded through the Inclusion Support Program.*

*The relevant Government agency should work with the National Disability Insurance Agency and specialist providers for those children whose disability falls outside the National Disability Insurance Scheme, to establish a deemed cost model that will reflect reasonable costs by age of child and the nature and extent of their disability. Based on an assessment of the number of children in need of this service, and the costs of providing reasonable ECEC services, the Australian Government should review the adequacy of the program budget to meet reasonable need annually.*

ISQ supports the provision of support for children who have a diagnosed disability to access ECEC services through a Special Early Care and Learning Subsidy and block funded support, regardless of service type and sector. In order to cater for the growing number of children with additional needs in the early childhood sector, support needs to be accessible for all services to ensure that no child is disadvantaged.

As per Recommendations 8.3 and 9.1, the removal of minimum operating requirements would enable equity of access to funding streams for children with additional needs.

## PRESCHOOL – SUPPORTING UNIVERSAL ACCESS

*The Commission proposes Australian governments provide universal access to preschool for:*

- *children in the year prior to starting school*
- *younger children where this affects the viability of the preschool program*
- *for 15 hours a week, with flexibility in how this is delivered within a week and over the school year (40 weeks).*

Childcare and Early Childhood Learning, Productivity Commission Draft Report, July 2014 (p552)

### **DRAFT RECOMMENDATION 12.9**

*The Australian Government should continue to provide per child payments to the states and territories for universal access to a preschool program of 15 hours per week for 40 weeks per year. This support should be based on the number of children enrolled in state and territory government funded preschool services, including where these are delivered in a long day care service.*

*The Australian Government should negotiate with the state and territory governments to incorporate their funding for preschool into the funding for schools, and encourage extension of school services to include preschool.*

Independent Schools Queensland strongly advocates for a continuation of the Australian Government funding for universal access to early childhood education. Evidence clearly points towards the significant educational, social and economic benefits of access to quality preschool programs, particularly to children from disadvantaged backgrounds and those who are developmentally vulnerable. Independent schools make an important contribution to the successful delivery of kindergarten/preschool programs in Queensland with over 100 early childhood services delivering an approved kindergarten program, via both long day care and dedicated preschool models, to diverse communities. The loss of funding for universal access to these programs would have a direct effect on participation rates and viability.

In Queensland, participation in an approved kindergarten program has increased dramatically over the period of National Partnership funding for universal access, due in no small part to the inclusive and collaborative relationship between government and the rest of the early childhood sector.

In Queensland, the 15 hours per week for 40 weeks per year translates to 600 hours per year. This enables kindergarten programs co-located on non-state school sites to align with individual school's terms. This in turn simplifies planning for families and assists with the transition to school. As per the Commission's proposal on page 552, ISQ supports the flexibility of the delivery of the 15 hours, 40 weeks provision, and recommends that the wording in Recommendation 12.9 be changed to reflect this flexibility.

## **DRAFT RECOMMENDATION 7.9**

*Dedicated preschools should be removed from the scope of the National Quality Framework and regulated by state and territory governments under the relevant education legislation. The quality standards in state and territory education legislation should broadly align with those in the National Quality Framework. Long day care services that deliver preschool programs should remain within the National Quality Framework.*

Independent Schools Queensland continues to support the reduction of barriers between the delivery of kindergarten/preschool programs and schooling for its members. Regulating kindergarten programs under the relevant education legislation would reduce duplication of requirements for those programs offered on school sites. A move such as this would assist with service integration and a smoother transition to school.

ISQ notes, however, that a number of Independent Schools offer dedicated preschool programs via a long day care model. ISQ is concerned with the notion of these services being treated differently from other independent schools with preschool services deemed to be 'dedicated preschools'. Given the level of diversity in provision of service, it is important that equitable arrangements apply across all services.

ISQ supports the recommendation that quality standards in state and territory legislation should align with the National Quality Framework to ensure continued high quality service delivery.

## OUTSIDE SCHOOL HOURS CARE – IMPROVING THE ACCESSIBILITY, FLEXIBILITY AND AFFORDABILITY

Independent Schools Queensland recognises the importance of appropriate, relevant, quality Outside School Hours Care in schools and the need for regulatory and funding models to support it. The independent sector in Queensland successfully delivers OSHC to the majority of its school communities.

### **DRAFT RECOMMENDATION 7.1**

*To simplify the National Quality Standard, governments and ACECQA should:*

- *identify elements and standards of the National Quality Standard that can be removed or altered while maintaining outcomes for children*
- *tailor the National Quality Standard to suit different service types — for example, by removing educational and child-based reporting requirements for outside school hours care services.*

ISQ supports the identification, in relation to OSHC services, of key elements and standards of the National Quality Standard that could be simplified or removed to reduce regulatory burden and increase service viability, while ensuring quality outcomes for children.

Simplification or removal of the educational and child based reporting requirements for OSHC would be welcomed by services. ISQ would support such a move with the assurance that quality expectations remain.

### **DRAFT RECOMMENDATION 7.4**

*Governments should develop and incorporate into the National Quality Framework a nationally consistent set of staff ratios and qualifications for those caring for school age children in outside school hours and vacation care services. These requirements should take into consideration ratios that are currently acceptable for children during school hours, the uncertainty surrounding the additional benefits of more staff and higher qualifications, and the valuable contribution that can be made to outside school hours care services by less qualified older workers and university/TAFE students.*

ISQ notes that it can often be difficult to recruit and hold OSHC staff given the particular working hours. Many staff are employed on a casual or short term basis. Qualification requirements for all staff only serve to increase this difficulty, particularly in rural or remote areas.

### **DRAFT RECOMMENDATION 8.1**

*The Australian Government should ensure that the requirement (currently contained within the Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Determination 2000) for most children attending an outside school hours care service to be of school age, is removed and not carried over into any new legislation.*

ISQ supports recommendation of the removal of the requirement for most children attending an OSHC service to be of school age. Schools in the Queensland independent sector find that the families with children in the early years, including preschool are the predominant users of OSHC. Enabling preschool children to attend these services with no cap would significantly lift the burden on schools where they are currently required to operate an OSHC service for school-age children and provide after care for preschool children with no access to early childhood subsidies.

### **DRAFT RECOMMENDATION 8.2**

*State and territory governments should direct all schools to take responsibility for organising the provision of an outside school hours care service for their students (including students in attached preschools), where demand is sufficiently large for a service to be viable.*

*The Commission believes that the onus to organise Outside School Hours Care should fall on schools, subject to demand being large enough for the service to be viable. This does not mean a school should necessarily run an OSHC service, but rather arrange for an outside provider to make use of school facilities in providing the service or, as a second-best option, facilitate the transport of children to another suitable facility for OSHC.*

ISQ does not support the prescriptive nature of this recommendation.

Independent Schools Queensland recognises the importance of appropriate, relevant, quality Outside School Hours Care in schools and the need for regulatory and funding models to support it. The independent sector in Queensland successfully delivers OSHC to the majority of its school communities.

Provision of OSHC is determined by the availability and appropriateness of school facilities, meeting WH&S requirements, parental demand or lack of, and availability of suitable staff. Many ISQ member schools are either located in rural and remote areas, and/or operate very small campuses. These schools may find it extremely difficult to provide such a service, both financially and operationally, and outside providers may not operate in particular locations.

## REMOVAL OF ECEC ASSISTANCE TO SOME PROVIDERS

### **DRAFT RECOMMENDATION 9.1**

*The Australian Government should remove the registered childcare category under the Child Care Benefit.*

ISQ supports this recommendation as the distinction between Approved and Registered Care is unnecessary and disadvantageous to both families and early childhood services.

As mentioned in the response to Draft Recommendation 8.3, many early childhood services in the Queensland independent sector, in particular dedicated kindergarten services, operate within the scope of the National Quality Framework but run to school hours or terms. As 'Registered' care services, families are not able to access the mainstream rate of child care support. Removing the distinction between 'Approved' and 'Registered' care would allow for an equitable system that enables parental flexibility in choice of service.

### **DRAFT RECOMMENDATION 10.1**

*In line with the broad level recommendations of the Productivity Commission's 2010 study into the Contribution of the Not for Profit Sector, the Australian Government should remove eligibility of not-for-profit ECEC providers to Fringe Benefit Tax exemptions and rebates.*

*State and territory governments should remove eligibility of all not-for-profit childcare providers to payroll tax exemptions. If governments choose to retain some assistance, eligibility for a payroll tax exemption should be restricted to childcare activities where it can be clearly demonstrated that the activity would otherwise be unviable and the provider has no potential commercial competitors.*

All dedicated kindergarten and long day care services in the Queensland independent school sector are not-for-profit providers. The removal of these exemptions would have significant impact on operations, particularly in rural and remote communities.

## QUALITY ASSURANCE PROCESSES AND REGULATION OF ECEC

### DRAFT RECOMMENDATION 7.1

*To simplify the National Quality Standard, governments and ACECQA should:*

- *identify elements and standards of the National Quality Standard that can be removed or altered while maintaining quality outcomes for children*
- *tailor the National Quality Standard to suit different service types — for example, by removing educational and child-based reporting requirements for outside school hours care services.*

ISQ supports the simplification of the National Quality Standard with the expectation that quality outcomes are not affected.

### DRAFT RECOMMENDATION 7.2

*Requirements for educators in centre-based services should be amended by governments such that:*

- *all educators working with children aged birth to 36 months are only required to hold at least a certificate III, or equivalent*
- *the number of children for which an early childhood teacher must be employed is assessed on the basis of the number of children in a service aged over 36 months.*

Queensland as a whole has worked hard to ensure appropriate qualifications for educators in all age groups. ISQ would support the maintenance of the existing qualification requirements in centre-based services while recognising the need for waivers or exemptions for services in rural and remote or disadvantaged communities.

### DRAFT RECOMMENDATION 7.6

*Governments and ACECQA should:*

- *urgently reconsider the design of the assessment and ratings system, giving particular consideration to finding ways to increase the pace of assessments*
- *explore ways to determine services' ratings so they are more reflective of overall quality*
- *abolish the 'Excellent' rating, so that 'Exceeding National Quality Standard' is the highest achievable rating.*

Independent Schools Queensland would support a reduction in red tape and the streamlining of the assessment of ratings process without sacrificing quality.

- A more realistic application of assessing standards and elements would support both regulatory officers and the services being assessed.

- There are inherent dangers in the ranking of quality, and the current overall rating is more often than not, not reflective of the quality of the service.

Any review should involve key stakeholders in the ECEC sector including representatives from the Queensland independent school sector.

#### **DRAFT RECOMMENDATION 7.10**

*State and territory governments should, as a matter of priority, harmonise background checks for ECEC staff and volunteers by either:*

- *advancing a nationally consistent approach to jurisdiction-based ‘working with children checks’ as proposed in the National Framework for Protecting Australia’s Children, including mutual recognition of these checks between jurisdictions, or*
- *implementing a single, nationally recognised ‘working with children check’.*

ISQ supports the harmonisation of “working with children checks” on a national basis.

#### **DRAFT RECOMMENDATION 11.1**

*Governments should ensure, through regulatory oversight and regular audits by the Australian Skills Quality Authority, that Registered Training Organisations maintain consistently high quality standards in their delivery of ECEC-related training.*

ISQ supports regulatory oversight on the delivery of ECEC related training by Registered Training Organisations to ensure that RTOs maintain high quality standards in their delivery of ECEC-related training.

#### **Submitted by:**

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