

POSITION PAPER:

RESPONSE TO THE CHILDCARE AND EARLY LEARNING PRODUCTIVITY COMMISSION

Introduction:

Family Day Care Association QLD is the state peak organisation for Family Day Care (FDC) Services throughout Queensland with 91% of FDC Services being members. We provide resource, support, advocacy, professional learning and accredited training.

FDCAQ operates a Registered Training Organisation which has been successful in receiving over \$.1.5 million in funding over the past 4 year to support Educators in FDC to achieve Certificate III, Diploma and Advanced Diploma qualifications in Children's Services.

FDCAQ operate as an Approved Provider for 15 FDC services in metropolitan, regional and remote communities, an In Home Care (IHC) service and Outside School Hours Care (OSHC) service along with 2 Inclusion Support Agencies funded under the Inclusion Professional Support Program (IPSP).

Our response to the Productivity Commission Inquiry into Childcare and Early Childhood Learning is informed by our grass roots connection to services, families and communities through our various roles. This position paper has been developed in consultation with our members throughout QLD, the national peak for FDC- Family Day Care Australia and other associated networks in the Early Childhood Education and Care (ECEC) sector.

Further research was sort in regards to the New Zealand Home Based model, by travelling and meeting with the Director of Porse In Home Childcare, Training and Work.

We acknowledge the government for their approach in reviewing and providing an opportunity for services, families and community to supply feedback on the future of the **Education and Care** profession.

Key ideologies informing this response:

1. That the existing model of Family Day Care in Australia is able to assist Government to meet the priorities of flexible, affordable, accessible and quality service delivery. We believe this is an opportunity to provide further feedback supporting the following areas and represent the agile and flexible nature of FDC :
 - a. Financial
 - b. Curriculum
 - c. Workforce
 - d. Kindergarten (universal access)
 - e. Qualifications (Educators and Coordination Unit staff)(Providing comparison to the New Zealand Home Based Model)
2. The importance of a strong quality and regulatory framework to ensure the wellbeing, education and care of children and families. That Government has a responsibility in ensuring that a system is available to support the needs of children, family and community.
3. That the investment in a quality system in the early years delivers economic benefits in the long term.
4. We experience that when families are confident on the quality of the education and care being delivered, it supports a more effective and productive entry back into the workforce. Including parent's expectation that whilst child care is required for workforce participation, education and care are inextricably interwoven.
5. FDCAQ believes that the investment in ECEC sector must represent the diverse nature of community needs, that funding models and reporting structures are able to support the ECEC sector in meeting these needs. For example- allowing families to choose the ECEC service type they wish for their child/ren to attend preschool/kindergarten.
6. Inclusion support approaches that build on initiatives already delivered in communities, non-stigmatisation and accessibility, minimizing the paperwork associated with supporting inclusive practices, which creates barriers for children and families.

Currently government statistics show that FDC is the fastest growing education and care service type in Australia.

The agile and flexible nature of FDC provides a platform to respond to growing needs as it arises. Whilst ongoing operational funding is required to support the needs of child/family placement, monitoring and development of Educators, FDC is based in the educator's home, allowing Coordination Unit staff to respond to emerging needs of families. This is demonstrated in recruitment drives in particular geographical areas, cultural communities, educator skill set (i.e.: supporting a child with a disability). This agility cannot be achieved by any other approved education and care service without considerable infrastructure costs.

Across all FDC Services, educators registered in these services provide education and care outside of what is seen as standard hours. Many educators working from 6am through to 7pm (if not earlier) and others providing weekend and overnight education and care to meet the needs of shift working families. Much media hype states that flexible care arrangements are not available, however our experience is- due to the funding provided to families accessibility is limited as families are reluctant to pay to maintain places when shifts change.

We recommend government review how funding maybe delivered to support families who work non-standard hours.

Demand for and Expectations of ECEC Services

We have seen FDC respond to the increased expectations of parents seeking education and care (not just care). In QLD 80% of the FDC services that have been rated and assessed under the National Quality Framework (NQF) were meeting or above the National Quality Standards and of the 80%, 43% were rated as Exceeding.

(Data was collected from the ACECQA 'NQF Snapshot Q3 2013' and from assessment and rating records on the National Quality Agenda IT System (NQA ITS) for the period of 18 June 2012 to 30 September 2013 for Family Day Care services.)

In the Queensland Department of Education, Training and Employment (DETE) Census 2012 we see:

- 66.5% of FDC Educators hold a Certificate III in Children Services or higher.
- Of the 2862 FDC Educators 1516 held a Certificate III or Diploma and
- 558 either held or were studying towards a 3 or 4 year degree.

In a study held by FDCAQ in May 2013, 91 of the then 98 operating FDC services in QLD were surveyed on Educator qualifications.

Total number of Educators	3021
Holding a Cert III or higher	1670
Enrolled to complete Cert III	727
Yet to enroll	326
Will cease to operate in FDC by Jan 2014	131

As FDCAQ operates a Registered Training Organisation we have been successful in achieving \$ **1,505,582** in funding since 2010 in both state and federal funding initiatives in supporting educators to achieve formal training and qualifications.

Since 2010 our RTO has enrolled 1664 students. Of those students, 882 have completed their accredited qualification, 688 are currently studying and 194 are withdrawn or inactive. Majority of students are based in QLD with 14% from across Australia.

In comparison to the New Zealand model, FDC in QLD is not able to administer universal access, although Coordination Unit staff hold comparable qualifications to those in New Zealand delivering the Early Childhood Education 20 hours initiative. In QLD 11.5% of Educators hold a Bachelor of Teaching or higher and a further 5.5% of educators studying.

In November 2012 a FDCAQ survey of 20 FDC Services in QLD showed 437 children in the Kindergarten (universal access in QLD) cohort were staying in FDC. Families had made a decision to use FDC rather than a Kindergarten program.

Many FDC services have put in place Kindergarten (universal access in QLD) programs with Early Childhood Trained Teacher qualified Coordination Unit Staff and Educators such as:

Brisbane & Bayside FDC; Pine Rivers FDC, Peace of Mind FDC, Daisy Hill FDC.

We recommend that appropriate parameters are defined and FDC are included in delivering universal access and are promoted by both Federal and State governments

The Productivity Commission Inquiry Issues Paper references the Home Based Model in New Zealand and to ensure that we could provide a response to these questions colleagues visited Porse In Home Care and met with Jenny Yule, the Senior Leadership Team, staff from the Community Service team and visited an Educator home environment.

After meeting with the Porse team and reviewing, legislation, regulation and curriculum we found the following:

Both Australian home based education and care (Family Day Care) and the New Zealand model are underpinned by similar legislative, regulatory and learning frameworks. Similar requirements such as ratios 1:4, health, safety and curriculum are required. There were differences in terminologies and qualifications for Coordination Unit Staff. (see Qualifications List ACECA website 2014- New Zealand Bachelor of Education (Teaching)-Early Years - assessed by QLD Government as equivalent to a Diploma level in Australia)

Three of the major differences being that FDC Educators are not required to hold a qualification, the funding models and the requirement of coordination units to visit educators at least monthly.

Below is a breakdown of the funding models from both countries, reflecting operational funding and parent subsidies.

New Zealand Operational Funding for -Teacher Led Home Based Services

\$ per funded child hour (including GST)	Rates from 1 July 2013		
	Under 2	2 and over	20 Hours ECE
30 hrs per week			
Quality	\$8.26	\$4.42	\$9.22
Standard	\$7.24	\$3.92	\$8.71

Source: Funding Handbook, Funding Rate Tables, Ministry of Education, New Zealand

Australian Family Day Care Operational Support- Requires minimum Diploma Level.

Care Type	ARIA+ category for the service:				
	Major Cities	Inner Regional	Outer Regional	Remote	Very Remote
Family Day Care	FDC-OS-MC	FDC-OS-IR	FDC-OS-OR	FDC-OS-RE	FDC-OS-VR
	\$0.69	\$0.71	\$0.90	\$1.22	\$1.42

Source: <http://www.education.gov.au/community-support-programme-guidelines>

Comparison of funding between the two models.

Country	Hours	Funding \$ Weekly	
Australia	30 per child per week	Major Cities	Remote: \$36.66
		Inner Reg:	Very Remote: \$42.60
		Outer Reg:	
New Zealand	30 per child per week	Quality:	Standard:
		0-2- \$247.80	0-2 \$217.20
		2 & over- \$132.60	2& over-\$117.60
		ECE 20Hours -\$184.40	ECE 20 Hours- \$174.20

Even when comparing the Very Remote Rate against the NZ standard rate: 0-2 years of age \$174.60 and 3-5 years \$75.00. The differences in funding are significant.

Per Annum the difference would be

0-2 years	\$9 079.20 per child per 30hr per week
3-5 years	\$3 900 per child per 30hr per week

Note: Statistics in QLD based on the DETE Early Childhood Census 2012 data show that 46% of FDC Services are in Brisbane (Major Cities rate) 36.9% of children using FDC in QLD are 0-2 years; 39.5% 3-5 years; 23.6%

primary school age and older.

Both countries provide funding for families to assist with the payment of child care fees, as stated below:

New Zealand

If you have	And your family's weekly income before tax is less than	The subsidy per hour is up to	per child
1 child	\$1,200	\$3.93	

Australia

Standard hourly rate- for Family Day Care and In Home Care	\$3.90 per hour if using over 37.5 hours per week. \$5.20 (\$3.90 x 1.3333) x per hour – for one child in care(1) (up to a maximum of \$195 per week) Up to 37.5 hours per week.
Family weekly income before tax	\$788.96

By comparing the figures above, for families in Australia using less than 37.5 hours a week receive an increased subsidy amount of \$1.27 per hour. In relation to family income in New Zealand families can earn an extra \$411.04 per week and maintain the maximum subsidy amount.

The Porse model had a strong philosophical approach to relationships, providing professional and accredited training for educators, supporting a strong workforce through self-employment opportunities and providing education and care to support parents back into the workforce and finally strong business initiative to engage in funding opportunities to support families from disadvantage backgrounds.

Based on our experience of being a Peak body and Approved Provider we would recommend that this marries with the Australian FDC focus.

- Operating under the current learning frameworks with a focus on relationships- FDC is not able to function without trusting and respectful relationships.
- Two FDC Peak organisations in Australia deliver accredited training and support access for educators by applying for funding opportunities.
- For the past 10 years FDC has worked under a model of fee deregulation, allowing educators to set their own fees. From late 2013 DEEWR/DOE have made a decision to challenge this approach as a response to managing poor approval processes and allowing Approved Providers who have unethical intentions access to government funding. **We recommend government review its current approach to interpretation of the Family Assistance Law and focus on how FDC manages fee setting parameters.**
- Supporting a growing workforce of over 16 000 women and men across Australia from diverse backgrounds, operating their own business which supports earning locally and spending locally.
- Due to the nature of FDC our ability to engage with local community services to support families from disadvantaged communities is increased compared to other ECEC service types, many FDC Services across Australia already deliver a variety of programs to support families. Some examples are:
 - Bundaberg FDC- HIPPY Program
 - Wyong FDC- Supported Playgroups, Aboriginal Language Outreach Program and the Acorn Project
 - Goondiwindi FDC- Mobile Playgroups
 - Wynnum FDC- Child Development Initiative

The main differences identified between Porse and FDC in Australia is that Porse delivers Nanny Services (which is funded by the NZ government and not un-similar to the In Home Care Service delivered in Australia) and do not support a legislative requirement for educators to be qualified. However this last point seems contradictory to their actions as all educators are required to complete the Porse Approved Stage 1 and are encouraged to move through all 3 stages training program underpinned by the National Certificate in Early Childhood Education and Care (level 3) qualification.

Currently in Australia all FDC Services take educators through an initial induction training program. FDCAQ has linked the initial induction training typically delivered to 7 units of competencies of the Certificate III of the Children

Services qualification and will be launching in March 2014 a nationally consistent FDC Educator Recruitment and Induction package that will support educators entering into formal qualifications.

When comparing funding models, it is evident that the New Zealand model receives far greater operational funding, which allows them to provide services to Educators free of charge. On average in Australia and certainly identified through the services FDCAQ managers directly, operational funding is anywhere between 40-50% and other operational costs are funded through levies charged to parents and educators. To have further funding cuts to operational funding would see costs being passed onto parents through increased subsidies. **See attached funding calculations.**

Funding and Administrative Approaches

Whilst the Productivity Inquiry timeframes do not support adequate time to explore different models, certainly the current governments interested in the New Zealand model warrants further investigation on how education and care settings can be better funded, providing flexibility to respond to emerging needs of communities, minimising government red tape for both families and services would be advantageous. **Imagine a system where funding goes to services who pass on minimal fee to families, which assist with affordability/accessibility and a subsidy program to support further accessibility to identified communities i.e.: low SES, rural remote and additional needs. Families not needing to struggle through the challenges of the CCB and CCR system and less administration costs for government.**

This would also ensure governments responsibility regarding the delivery of quality systems to ensure the highest outcomes for families, children and community- minimising risk of fraud and misuse of government funds.

As identified in STARTING STRONG II: EARLY CHILDHOOD EDUCATION AND CARE – ISBN 92-64-03545-1 – © OECD 2006 it is clear that research has identified the need of governments to ensure the fundamental right to quality early learning and care is supported through relevant and collaborative policy. Research linking to outcomes for children, families and workforce when these needs are not met and provided for.

This reinforces the fundamental responsibility of government to adequately fund and regulate the delivery of early childhood services.

We recommend government to put in place a national system for collecting data, rather than services having to duplicate provision of information through the state regulatory authority, CCMS, National IT system and project managers in DOE.

Inclusion in ECEC Settings

Anecdotal and the lived experience as a Peak, Approved Provider and funded to deliver 2 Inclusion Support Agencies demonstrate clearly the current system is ineffective.

Due to the demanding amount of paperwork required to deliver access to Inclusion Support Subsidy both ECEC services and ISA staff time is taken from the important work of providing inclusive environments regardless of the additional need of the child and family. In some cases causing ECEC services to be reluctant in enrolling children with additional needs or causing further barriers for families.

We recommend that the government consider the following changes:

- ISA staff not responsible for applications for ISS. ECEC services apply for ISS through the CCB system (or similar), just as they would SCCB. We believe this will reduce administrative burden and costs from both government and service providers.
- The Service Support Plan be a part of the services Quality Improvement Plan, so that the approach **IS** focused on the environment and not the child. Inclusion is imbedded in practice, not separate to.

- ISA staff's role to be focused in supporting the capacity of ECEC staff in delivery of inclusive environments through supporting connections to current ancillary children and family services already delivered in local communities rather than duplicating services. Providing stronger assistance to families on what they can access and supporting a 'No Wrong Door' approach.

In conclusion we thank the government for this opportunity to provide information for the inquiry into ECEC services. We invite further contact if any clarification or further information is required.