



Australian Children's
Education & Care
Quality Authority

Productivity Commission inquiry (2023-2024)

Early childhood education and care

ACECQA response to the
Commission's draft report

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ACECQA acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of the Lands on which we work and across Australia, and we also extend our respects to Elders, past and present.

We recognise and celebrate the contributions of Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia, including their role in the education and care of children. We recognise the rich and diverse cultures of Aboriginal and Torres Strait Islander peoples, and the valuable contribution this diversity brings.

Introduction

The National Quality Framework (NQF) is the result of an agreement between all Australian governments to work together to provide better educational and developmental outcomes for children.

Since its implementation in 2012, the NQF has undergone two reviews, one in 2014 (as part of a broader review of the National Quality Agenda) and one in 2019. Regular reviews of the NQF ensure the regulatory system remains current, achieves its objectives, and supports Australia's approved providers and services to provide high quality education and care while minimising regulatory and administrative burden. Additional amendments to the NQF have also been made to address particular issues or risks as they become apparent, to support children's continued health, safety and wellbeing in approved services. Our understanding of how best to support children's learning and development has also matured since the commencement of the NQF, leading to a more robust system.

The NQF forms a comprehensive regulatory regime with strong gatekeeping requirements that ensure the basis of quality before a service is permitted to operate. Those seeking to operate an education and care service must first demonstrate they are 'fit and proper', which includes considerations such as criminal history, management capability, financial matters, knowledge of the NQF and history of compliance.

When a regulatory authority grants a service approval, it is on the grounds that the service must operate in a way that ensures the safety, health and wellbeing of children educated and cared for by the service, and meets children's educational and developmental needs. A quality improvement plan must be developed and maintained, documenting their assessment of quality against the NQF and priorities for continual improvement. In this way, children's health and safety is prioritised from before the service is allowed to operate.

The National Quality Standard

A fundamental aspect of the NQF is the assessment and quality rating of all education and care services against the National Quality Standard (NQS). The NQS is a schedule to the National Regulations and encompasses components of both 'structural' quality (for example, educator qualifications, educator to child ratios, approved learning frameworks, and professional development and support) and 'process' quality (for example, interactions between educators and children). The NQS also increases the focus on educators' pedagogical practice, including:

- intentional and responsive teaching
- inclusive practice and respect for diversity
- assessment for learning and quality improvement planning
- critical reflection
- continuity of learning and transitions
- professional collaboration, standards and development.

The NQS drives continuous improvement and has successfully improved the quality of education and care for children across Australia. Sustained improvements in quality across all areas of the NQS can be seen in the data collected since the introduction of the NQF in 2012.

2018 revised NQS

Following the 2014 NQA Review, Australian, state and territory education ministers agreed to changes to the NQF, including the NQS, that came into effect on 1 February 2018. The revisions to the NQS included:

- The number of standards of the NQS reduced from 18 to 15, and the elements from 58 to 40.
- The language was made clearer, and each standard and element described a single unique concept, with the removal of any duplication with the National Regulations.

Changes to Exceeding NQS rating

Refinements to the National Quality Standard (NQS) also resulted in a higher benchmark for Exceeding NQS level practice. The calculation for a quality area to be rated Exceeding NQS changed; prior to 1 February 2018, only the majority of standards within a quality area needed to be rated Exceeding NQS for that quality area to be rated Exceeding. From 1 February 2018, all standards in a quality area need to be rated Exceeding NQS for that quality area to be rated Exceeding NQS. Three 'Exceeding themes' were introduced that services need to demonstrate for a standard to be rated Exceeding NQS. The Exceeding NQS themes are:

- **Theme 1:** Practice is embedded in service operations
- **Theme 2:** Practice is informed by critical reflection
- **Theme 3:** Practice is shaped by meaningful engagement with families and/or the community

Enhanced Exceeding NQS guidance and support for service leaders and educators has since been developed to assist providers and services in building their understanding about how to meet this quality benchmark. The changes to the NQS, the introduction of the Exceeding themes and the recalculation of Exceeding the NQS quality rating have raised the bar in terms of what services need to demonstrate to receive an Exceeding the NQS rating.

To receive an overall rating of Meeting the NQS, a service is required to demonstrate that it is Meeting the NQS in all seven quality areas. Any service Meeting the NQS is delivering quality education and care that supports the learning, development and wellbeing of children in a safe environment. Meeting all standards and quality areas of the NQS sets a very high bar for services and is in addition to the standards required for service approval.

Changes made to the requirements of the National Law and Regulations over time, particularly in response to children's safety, health and wellbeing, have contributed to the 'raising of the bar' (including at the Meeting NQS level) and strengthened the quality of education and care provided to children.

Productivity Commission draft findings –

ACECQA response

ALL CHILDREN SHOULD HAVE AN ECEC ENTITLEMENT

Draft finding 5.1

All children aged 0–5 years should be able to attend up to 30 hours or three days of quality ECEC a week for 48 weeks per year

The benefits to children and families of high-quality early education are well understood and are particularly significant for children from disadvantaged or vulnerable backgrounds. However, attracting, developing and retaining a high-quality children’s education and care workforce in Australia continues to be a significant and increasing challenge.

The challenge is more acute for specific parts of the workforce, notably the regional and remote workforce. Anecdotal evidence suggests that some services across Australia are regularly having to close rooms or reduce hours of operation, and therefore limit attendance, due to the lack of suitably qualified educators.

In the context of an international workforce shortage and increasing demand for teachers in both the early childhood and primary school settings, the children’s education and care sector will continue to face significant and increasingly urgent workforce challenges.

ACECQA will continue to support the implementation of *Shaping Our Future*, the national children’s education and care workforce strategy (2022-2031), which is designed to address and ameliorate these challenges.

For all children to reap the benefits of education and care including to be safe, healthy and protected and able to improve development and educational progress, all expanded or new services must be held accountable for quality by being required to operate under the National Quality Framework (NQF).

Each component of the NQF – the National Quality Standard (NQS), the Approved Learning Frameworks (ALFs) and the independent monitoring and assessment and rating of services – is integral to achieving the objective of continuous quality improvement, holding services accountable for their performance and ensuring a return on government investment.

Prior to its commencement in 2012, the development of the NQF was informed by international research in the essential components of quality educational programs, policies and practices. In 2006, the OECD identified seven inter-related aspects of quality integral to improving children’s outcomes in education and care settings, comprising health and safety requirements; the physical environment; the qualifications and training of staff and staff-to-child ratios; leadership and management; connections with family and community; the programs or curricula that support children’s learning and development; and, the quality of interactions and relationships between children and educators.¹ This research informed the development of the NQS.

More can be done in tracking children’s educational and developmental outcomes through all governments agreeing to and supporting longitudinal studies but, in the absence of such studies, the seven areas of the NQS are internationally recognised as a reliable measure of quality.

Collectively, the NQF provides a holistic evidence-based framework that guides the provision of education and care. It is a framework applicable to all age groups, service types and communities.

¹ Organisation for Economic Co-operation and Development (2006), *Starting Strong II: Early Childhood Education and Care*, OECD Publishing: Paris.

Draft finding 5.5

Family day care can be an effective solution to addressing thin markets

Family day care (FDC) services play an important role in Australia's education and care system. Many FDC services offer flexible hours and are often the only option for shift and emergency workers. In regional and remote areas it is often the only viable option where centre-based services are not sustainable due to volatile enrolments. The NQF prescribes that a maximum of seven children can be educated and cared for at a time, by one FDC educator, with no more than four of these children being preschool age or under. These requirements support quality FDC provision, as do ratios of educators to co-ordinators, who provide support to educators and are required to hold an approved Diploma level qualification.

As noted in the draft report, an expansion of FDC provision would rely on growth in the education and care workforce. Acknowledging the operating model of FDC, where educators are predominantly working on their own with children, since 1 July 2023, new FDC educators must hold an approved certificate III level (or higher) qualification prior to commencing their role and cannot be 'actively working towards' a qualification. A transition period provides current educators one year to complete existing studies. Potential and current FDC educators in rural and remote areas may face additional barriers to gaining the required qualifications, including limited access to qualification providers and a lack of communities of practice and opportunities for professional growth.

Any expansion of FDC provision to address current thin markets would need to consider these factors (in addition to other regulatory requirements under the NQF) to maintain quality education and care to children.

AVAILABILITY GAPS WILL HAVE TO BE TACKLED TO ACHIEVE UNIVERSAL ACCESS

Draft recommendation 5.1

Support universal access in persistently thin markets via supply side funding

Across Australia, some families report challenges finding support when and where they need it, as the number of families accessing children's education and care services continues to grow.

According to the 2021 National Workforce Census, around three-in-five (59 per cent) services reported having no capacity for additional places, indicating they are operating at full capacity with no resources or capability to meet additional demand. Consultation with the sector through this review indicates some services are operating at reduced capacity as they are unable to meet staffing requirements, however data is not captured to indicate the extent of this.

There is a need to consider how to best uphold the principles of equity, affordability, quality and accessibility which underpin the *National Early Childhood Education and Care Vision* while the demand for skilled and experienced teachers and educators continues to grow.

AVAILABILITY CAN ONLY IMPROVE IF WORKFORCE CHALLENGES ARE RESOLVED

Draft finding 3.2

Accelerated qualifications will help lift early childhood teacher numbers

Higher educator qualifications are strongly associated with improved child outcomes because appropriately qualified educators are better able to involve children in learning opportunities, stimulate positive interactions, and use a range of strategies to extend and support their learning and wellbeing. An ongoing tension is the need to balance higher qualification requirements that support high quality outcomes for children, while recognising that acute workforce shortages can impact accessibility and affordability, particularly for families at risk of vulnerability or disadvantage, where children have the most to gain from high quality education and care.

Providing confirmation of what is meant by ‘accelerated qualifications’ may be helpful. It is ACECQA’s understanding that it is typically being used to refer to courses targeted at experienced students who are looking to either upskill within the sector or join the sector from complementary disciplines. These courses are therefore able to be ‘accelerated’ in terms of their overall duration and volume of learning, primarily by recognition of prior learning and credits.

Any move towards ‘accelerated’ courses in general may be undesirable and compromise the skills and knowledge required of early childhood teachers, noting that ACECQA’s requirements for the assessment and approval of initial teacher education courses already do not prescribe a minimum duration in terms of years. This recognises the lack of evidence to demonstrate the superiority of four-year qualifications compared with three-years and allows for some flexibility and innovation in course design and delivery.

Of note is ongoing anecdotal feedback from service providers that suggests some graduates are still not viewed as ‘job ready’, with concerns primarily associated with insufficient workplace assessment and experience, and inadequate sector-specific knowledge. ACECQA would caution that any unilateral changes to implement accelerated approaches to qualifications need to carefully mitigate potential risks to the professional identity of the children’s education and care sector. Public consultation findings from the recent review of NQF qualification and staffing requirements indicate it is important to the current workforce to maintain quality and professional recognition. Reduced qualification requirements can be perceived by the sector to have the potential to exacerbate workforce shortages through increased attrition and burnout.

Individuals working in the education and care sector have responsibility for some of the most vulnerable members of our community. Poor quality training potentially places children at significant risk of harm or hazard, or longer term disadvantage if educators are ill-equipped to offer high quality educational programs that enhance and support their learning.

In addition, the children’s education and care sector is highly regulated, and both educators and employers have specific obligations under the NQF. Training and qualifications that fail to address these legislated obligations may result in a heightened risk of subsequent compliance action being taken by state and territory regulatory authorities.

Draft recommendation 3.1

Reduce barriers to educator upskilling

Action FA5-2 (*Review requirements for early childhood teaching programs under the National Quality Framework*) in *Shaping Our Future* involves ACECQA consulting with key stakeholders as part of reviewing its requirements for the assessment and approval of initial teacher education courses. Options considered as part of the review will include determining whether it is appropriate to stipulate the proportion of supervised professional experience that can be undertaken by a student at the service they are employed with. Action FA5-2 is scheduled to be completed this year, with the ACECQA Board to decide upon any changes to the current published requirements. The provision of ‘wraparound’ support for students by higher education institutes (HEI) is another option that can help educators to complete courses and upskill.

Draft recommendation 3.2

Support innovative delivery of teaching qualifications

Action FA5-2, mentioned above, also provides an opportunity for ACECQA to review and consider innovative design and delivery approaches to initial teacher education courses.

In addition, Action FA2-1 (*Review and develop targeted programs to support studies and placements for specified groups of potential educators and teachers*) in *Shaping Our Future* involves relevant stakeholders engaging in strategic partnerships to support target students to enrol in and complete children’s education and care qualifications. The two initial national priorities for targeted workforce programs are Aboriginal and Torres Strait Islander peoples, and the regional and remote workforce.

Draft finding 3.6

Inter-jurisdictional differences in teacher registration impose unnecessary workforce barriers

Draft recommendation 3.3

Improve registration arrangements for early childhood teachers

Action FA1-2 (*Implement early childhood teacher registration in every state and territory*) in *Shaping Our Future* involves the ACT, Northern Territory, Queensland and Tasmania enabling the registration of all early childhood teachers, including those working in non-school settings.

AITSL’s *One Teaching Profession: Teacher Registration in Australia* report (September 2018) also includes two relevant recommendations:

- The Panel recommends that all early childhood teachers in Australia, regardless of their employment setting, be required to be registered by teacher regulatory authorities, under a consistent national approach (Recommendation 5).
- The Panel recommends that the Teacher Standards be amended to ensure their relevance and applicability to early childhood teachers (Recommendation 6).

ACECQA remains ready to assist with progressing the recommendations in collaboration with AITSL if governments decide to prioritise them.

Draft recommendation 3.4

Lift support and mentoring for new early childhood teachers

Action FA1-3 (*Enhance mentoring and induction support for new teachers*) in *Shaping Our Future* involves AERO reviewing the existing mentoring and induction supports and considering their relative effectiveness at jurisdictional and local levels. Based on the findings of this work, governments will then consider options for lifting support and mentoring for new early childhood teachers.

Draft recommendation 3.5

Improve pathways and support for Aboriginal and Torres Strait Islander people to obtain ECEC qualifications

As mentioned above, Action FA2-1 (*Review and develop targeted programs to support studies and placements for specified groups of potential educators and teachers*) in *Shaping Our Future* involves relevant stakeholders engaging in strategic partnerships to support target students to enrol in and complete children's education and care qualifications. The two initial national priorities for targeted workforce programs are Aboriginal and Torres Strait Islander peoples, and the regional and remote workforce.

Draft recommendation 3.6

Contribute to professional development for the ECEC workforce

Focus Area 3 (*Leadership and capability*) in *Shaping Our Future* has three actions, all of which contribute to professional development for the sector workforce:

- Action FA3-1 (*Improve access to core professional development for educators and teachers*) involves the development of an evolving suite of eLearning modules, including an 'Induction to the NQF' training package, with new entrants to the sector identified as a primary audience. ACECQA has made freely available a suite of [NQF eLearning modules](#) that have been accessed more than 16,000 times since publication in July 2023. High standards in onboarding and support materials for commencing staff is also a feature of quality services.
- Action FA3-2 (*Improve access to an increasing range of micro-credentials for educators and teachers in areas of identified need*) involves governments developing a priority list of micro-credentials for educators and teachers in recognised areas of demand and need.
- Action FA3-3 (*Investigate options for a national professional practice network for educators and teachers*) involves governments considering the appropriateness of a national professional practice network, based on the findings of a review of existing networks that are available at jurisdictional and local levels being led by AERO.

Draft recommendation 3.7

Improve the ECEC Workforce Strategy

As stated in the *Call-to-Action* section of *Shaping Our Future*:

“The strategy is structured around six interrelated focus areas. Setting the timeframe over the next decade allows actions within each focus area to be pursued over the short (within the next three years), medium (within the next six years) or long (within the next ten years) term.

It also allows for the strategy to be regularly monitored, evaluated and revised as required. The latter is particularly important to ensure that it remains contemporary and reflects any emerging workforce challenges and needs.”

The ten-year workforce strategy (2022-2031) commits to biennial workforce forums where the actions can be reviewed and amended as appropriate, particularly in response to emerging priorities. The forums also provide sector stakeholders and governments with an opportunity to review and share progress and showcase best practice and innovations.

AFFORDABILITY AND COMPLEXITY SHOULD NOT BE BARRIERS TO ECEC ACCESS

To assist families to select an appropriate service for their child, ACECQA's [StartingBlocks.gov.au](https://www.startingblocks.gov.au) website includes an education and care directory, allowing users to search by service type, day of the week, suburb, quality rating, age of child, session type (e.g. before school, after school, half day, full day, hourly) and whether there are vacancies. Fee information is also included on the website. Service quality ratings, issued by regulatory authorities, are updated daily on Starting Blocks, ensuring quality ratings information remains current and can be used by families in their decision-making.

Draft recommendation 6.3

Make information about CCS eligibility easy to find and understand

[StartingBlocks.gov.au](https://www.startingblocks.gov.au) includes the [Child Care Subsidy Calculator](#). Families can find out what they and the Australian Government might pay per fortnight, according to their unique family circumstances.

The website includes links to Services Australia and is regularly updated to ensure families access the most current funding information from the Australian Government.

Draft recommendation 6.4

Improve the CCS calculator on the Starting Blocks website

The Starting Blocks [Child Care Subsidy Calculator](#) allows families to estimate their Child Care Subsidy eligibility according to their own unique circumstances. ACECQA continues to work with the Australian Government to make improvements to this resource for families.

A parent or family member can choose the total hours of work or recognised activity for themselves and their partner, estimate their annual income, choose the number of children and their age, the service type, the daily rate, the number of hours charged per day on average, and the number of days the child will attend the service per fortnight.

Starting Blocks has its own Instagram account and a communications campaign that ensures the regular communication of the availability of the CCS Calculator as well as other components of the website, to support families to continue to build their understanding of quality early childhood education and care.

A UNIVERSAL ECEC SYSTEM HAS TO BE INCLUSIVE OF ALL CHILDREN

Draft recommendation 2.2

Amend the Disability Standards for Education

Every child has the right to access, participate and be included in all aspects of community life, including their education and care setting. Equity, inclusion and diversity underpin the NQF and are embedded throughout the NQS, the ALFs and guidance resources which have been developed to support educators, staff, families and children in education and care settings. The *Disability Discrimination Act 1992* (DDA) is recognised as a key piece of *legislation* underpinning policy, practice and guidance across the education and care sector in Australia. The NQF and DDA promote inclusive programs, practices and policies that support children with disabilities and their families to access and fully participate in children's education and care services.

Review of the Approved Learning Frameworks (ALFs)

Throughout 2021-2023, ACECQA facilitated an expert review of the national ALFs, with the updated frameworks, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia V2.0*, and *My Time, Our Place: the Framework for School Age Care in Australia V2.0* revised to have a greater emphasis on inclusiveness. Through this work, one of the key principles of the frameworks, *High expectations and equity*, was renamed *Equity, inclusion and high expectations*. The intent of this stated principle in the frameworks, and related content throughout, emphasises inclusiveness: "Educators who are committed to equity recognise that all children have the right to participate in inclusive early childhood settings, regardless of their circumstances, strengths, gender, capabilities or diverse ways of doing and being."

A range of resources have been developed to explain the renewed focus within the national ALFs, and to strengthen educators' practices. These are published on the ACECQA website, alongside a strengthened Guide to the NQF to support quality improvement.

Australian Government's 2020 review of the Disability Standards for Education 2005 (DSE)

In 2020, ACECQA supported the Australian Government's review of the Disability Standards for Education 2005 (DSE) by coordinating stakeholder consultation on behalf of all governments with providers, peak bodies and other sector professionals about levels of knowledge, understanding and application of the DDA.

Key recommendations from the review for the education and care sector included a focus on raising sector and community awareness and capability regarding the DDA (recommendations 12 and 13). In support of these recommendations, ACECQA developed and launched a suite of free national resources, designed to support approved providers, nominated supervisors, coordinators, educators and all service staff to understand and meet their obligations under the DDA. The [resources](#) include information sheets, tip sheets, infographic posters, NQS and the DDA posters, a team meeting package, and a recruitment and induction package. Amendments have also been incorporated in the *Guide to the NQF*.

ECEC SERVICES SHOULD BE FLEXIBLE AND RESPONSIVE TO THE NEEDS OF FAMILIES

Draft recommendation 7.1

Ensure integrated services are available where needed

Within its guiding principles, the NQF states the role of parents and families is respected and supported, and there is an expectation that services are flexible and responsive to the needs of families, to provide best practice education and care. The NQF supports this flexibility in service provision by being outcomes-focused rather than prescribing the hours and nature of education and care available to families. Shift workers in particular may require education and care at unusual times and can access extended hours provision at some family day care and long day care services, with hours set by individual services and providers.

The NQF encourages services to provide environments that support children's holistic wellbeing, learning and development. Many education and care services achieve this by facilitating access to allied health and inclusion professionals (such as speech or occupational therapists), including through the Australian Government's Inclusion Support Program or similar state and territory programs.

Draft recommendation 7.6

Support out of preschool hours ECEC

The NQF sets out regulatory requirements related to the age group of children being educated and cared for by a service. Under the National Law, OSHC services 'primarily' cater to children over preschool age. Operational requirements for OSHC services may differ from those for services catering to children preschool age and under in areas such as the educational program, appropriate pedagogy, staffing, qualifications, ratios, equipment and resources depending on the jurisdiction.

These elements would all need to be considered by an approved provider when opening a new service or prior to changing the ages of children educated and cared for by an existing service. A service providing OSHC for children primarily over preschool age that intends to cater to children preschool age or under would need to notify the regulatory authority and/or apply to amend the service approval and adjust its practices accordingly.

OSHC services can operate on school sites, preschool sites or elsewhere. There are some minor regulatory differences that apply to the operating environment if the service is located on a school site. If OSHC is offered in other service environments such as preschool or long day care services and provides an opportunity for extended or wrap around care, additional considerations include how the setting and hours are structured to accommodate the different types of care, staffing and supervision with mixed ages of children, and the potential increased risk to children's safety as a result of interactions between younger and older children. Children over preschool age can also be educated and cared for in FDC environments in the hours before and after school, noting some regulations are FDC specific.

Extending the hours of ECEC provision for preschool aged children in a school, preschool or other setting may result in complex funding streams (from the Australian Government and from state/territory governments) for families and services to navigate. Funding for extended hours of care for preschool aged children attending a preschool-specific service may also require consideration under the Australian Government's Family Assistance Law (FAL) in relation to Child Care Subsidy.

MANY ABORIGINAL AND TORRES STRAIT ISLANDER FAMILIES PREFER ABORIGINAL COMMUNITY CONTROLLED ORGANISATIONS

Draft finding 2.4

It is unclear if the National Quality Framework adequately promotes cultural safety and capability

ACECQA, governments and the education and care sector are committed to the objectives and guiding principles of the National Quality Framework (NQF), including that the rights and best interests of children are paramount and Australia's Aboriginal and Torres Strait Islander cultures are valued. In addition, the NQF requires that each child's culture, abilities and interests are the foundation of the educational program (NQS Element 1.1.2).

Under the [Closing the Gap \(CTG\) Agreement Priority Reform 2 – Building the community-controlled sector](#), the Australian Government funded ACECQA to work with the Secretariat for the National Aboriginal and Islander Child Care (SNAICC) to deliver on Action C1 in the [Sector Strengthening Plan: Early Childhood Care and Development](#).

The C1 Action agreed by state, territory and the Australian Governments, made the commitment to:

Undertake an assessment of the supporting materials and resources, and Authorised Officer training under the National Quality Framework (NQF) and the National Quality Standard (NQS) to address gaps and ensure they provide quality, culturally appropriate and accessible supports to Authorised Officers and services for the regulation of the Aboriginal and Torres Strait Islander community-controlled sector.

Action C1 notes that each state and territory regulatory authority employs and trains authorised officers (AO) who undertake the regulatory authority functions under the NQF, including provider and service approvals; monitoring and compliance, and assessment and rating (A&R). The AO function provides a direct link between regulated children's education and care services and the requirements of the NQF.

The funding is providing the opportunity to review existing national training, resources and guidance for the sector and AOs under the National Law as a way to better support the work done by regulatory authorities with, and the resources available for, Aboriginal Community Controlled Organisations (ACCOs), drawing on the knowledge, wisdom and insights and identifying any gaps to ensure quality, culturally appropriate and accessible supports to AOs and the sector.

While Action C1 is focused on ACCOs, the learnings and outcomes are having broader impact given all services under the NQF access the national resources and AOs regulate all NQF services. This work is also taking into account the refreshed ALF's strengthened contemporary focus on Aboriginal and Torres Strait Islander perspectives outlined below.

In relation to services regulated under the NQF, [ACECQA's National Register of Approved Education and Care Services](#) indicates that at the beginning of August 2023 there were approximately 43 ACCO children's education and care services operating across Australia. These 43 services are operated by 35 ACCOs, with the services having the approved places to provide care for up to nearly 2000 children per day. One early childhood education and care service delivered by an ACCO has recently been awarded the Excellent rating by ACECQA.

Refreshed ALFs

As mentioned above, under the NQF, services are required to base their educational program on an ALF. Australia's two national ALFs – *Belonging, Being and Becoming: The Early Years Learning Framework for Australia V2.0*, and *My Time, Our Place V2.0: the Framework for School Age Care in Australia V2.0* have recently been updated.

The updates include a strengthened focus on Aboriginal and Torres Strait Islander perspectives, including:

- an updated 'Vision', to emphasise all children as successful life-long learners and as active and informed community members with knowledge of Aboriginal and Torres Strait Islander perspectives.
- Aboriginal and Torres Strait Islander perspectives added as a 'Principle', strengthening Aboriginal and Torres Strait Islander knowledges, cultures, and perspectives throughout the ALFs, reflecting the Alice Springs (Mparntwe) Education Declaration and aligning with the Australian Curriculum V9.0.
- The 'Practice' of *Cultural competence* renamed to *Cultural responsiveness*, to reflect a deeper understanding of all cultures and diversity and a commitment to embedding Aboriginal and Torres Strait Islander perspectives in all areas of professional practice.

Embedding Aboriginal and Torres Strait Islander perspectives is a shared responsibility of approved providers, educators, and other professionals working in education and care settings, regardless of whether Aboriginal and Torres Strait Islander children and families are enrolled in that setting or not. To support the implementation of the refreshed ALFs, ACECQA has developed [information sheets](#) for educators on the key changes, including Aboriginal and Torres Strait Islander perspectives. Amendments have also been made to the Guide to the NQF to support educators' continuous improvement.

QUALITY IS PARAMOUNT TO ACHIEVING THE BENEFITS OF ECEC

Draft finding 8.1

The timeframe between service assessments is too long

The quality assessment and rating process is a key component of the NQF. In the absence of research indicating best practice timeframes between assessment and rating visits, state and territory regulatory authorities apply a risk-based approach. They have also undertaken more than three times as many other types of visits than assessment and rating visits since 2017. This shows the significant amount of regulatory work that occurs outside of the quality assessment and rating process ([Q3 NQF Snapshot 2023](#)). Other types of visits include checking and monitoring compliance with the requirements of the NQF, investigating complaints and responding to events such as serious incidents or changes of service ownership, as well as visits for educative purposes.

The national data on assessment and rating visits indicate that, as at 1 October 2023, almost:

- 16,000 (91% of all approved NQF) services have a published quality rating
- 19,000 quality rating reassessments have been undertaken by state and territory regulatory authorities.

The impact of COVID-19 on the volume of assessment and rating visits undertaken in recent years, particularly in 2020 and 2021, should not be underestimated.

Draft recommendation 8.4

Incentivise quality provision in new ECEC services

One of the objectives of the National Law and the NQF is to promote continuous improvement in the provision of quality education and care services, with a corresponding guiding principle that best practice is expected in the provision of education and care services. Two specific ways providers and services are encouraged to provide quality education and care services under the NQF are through:

- The application and approvals process for new providers and services, including through the recently adopted 'Joined-up Approvals (JuA) project' which brings together processes under the NQF and the FAL;
- Quality assessment and rating against the NQS.

The JuA project, which launched in July 2023, was a collaboration between the Australian Government, state and territory regulatory authorities and ACECQA. It created nationally consistent and joined up application processes for education and care provider and service approvals under both National Law and FAL (to administer Child Care Subsidy). Key aspects of the JuA project included the integration of application and approval processes under both laws into one centralised system, the National Quality Authority IT System (NQA ITS). The JuA process enables nationally consistent identification, assessment and management of potential risks when approving providers and assessing persons with management or control of the provider entity. This includes assessing the individuals and provider for their fitness and propriety to deliver and manage education and care services. The JuA approvals process included the introduction of a new online knowledge assessment platform that can be used to assess the knowledge and skills of persons with management or control and assist in determining whether an applicant has adequate knowledge to deliver an education and care service.

Changes to the approval process under the JuA project streamline the process for new provider applicants and existing providers wanting to open a new service, by reducing duplication and administrative burden; reducing processing times, with some assessment activities occurring concurrently across the dual approval process under the National Law and FAL; creating efficiencies through information sharing between jurisdictions; and enabling applicants who are shown to be low risk to move more efficiently through the assessment and approvals process. For example, a provider applicant who is found to have previous experience in the education and care sector, a good compliance history, financial viability and good governance structures may be assessed as low risk and not be required to undertake additional assessment activities, such as the online knowledge assessment or interviews, before being approved. Increased information sharing across and between jurisdictions and the Australian Government when assessing providers enables more robust assessments of high-risk providers and services.

Regulatory authorities and ACECQA recently explored methods to ensure authentic, day-to-day practice informs a service's assessment and subsequent rating. This has led to shorter notice periods in advance of assessment and rating visits and is being implemented progressively across states and territories. The quality rating of the service is then displayed and published on national registers, informing parents of the quality of a service. Regulatory authorities' compliance and monitoring of services against the NQF can occur through either announced or unannounced visits. This encourages services to deliver high quality practice for children and families every day.

Also, to promote and incentivise quality improvement, ACECQA has published additional guidance materials and case studies to further build understanding of, and motivation to meet the quality benchmark for the Exceeding NQS rating.

Just as approvals processes and assessment and rating promote quality service delivery and incentivise low risk providers to continue and potentially expand their service offerings, they can also be used to draw attention to and curb high risk or problematic behaviours. Both approval processes and assessment and rating provide regulators with information on history of compliance and quality, as well as other factors, which can be used to identify serial underperformers, for appropriate action to be taken.

This information also provides part of ACECQA's response to *Information request 8.2 Regulatory actions against serial underperformers*.

Draft finding 8.2

Families tend not to use information about service ratings

ACECQA conducts a biennial families survey, findings from which are published as part of the [NQF Annual Performance Report](#). The fourth wave of this survey found there has been little change in families' level of awareness of the quality rating system between 2023 and 2021, although there remains a marked increase on the levels seen in 2019 and 2017.

Skilled educators, cost and location are the most important decision-making factors for families, while the quality rating of the service continues to be ranked the least important relative to other decision-making factors. It is however noteworthy that factors deemed more important, such as the early learning program and the educators, are encompassed within the quality rating awarded to services by state and territory regulatory authorities.

The intent behind the publication of service ratings is that the more families understand quality, the greater the likelihood this will affect their service choice, thereby driving quality improvement.

Draft recommendation 8.2

A new review of the National Quality Framework

The original National Partnership Agreement on the National Quality Agenda gave effect to the NQF and set out its review cycle. To date, the NQF has undergone two reviews, one in 2014 (as part of a broader review of the National Quality Agenda) and one in 2019. The 2019 NQF Review recommended changes to the National Law and the *Education and Care Services National Regulations 2011* (National Regulations), as well as producing and making available additional guidance for the sector to enhance children's health, safety and wellbeing. The majority of changes recommended from the 2019 NQF Review commenced in mid-late 2023.

Regular reviews of the NQF ensure the regulatory system remains current, achieves its objectives, and supports Australia's approved providers and services to provide high quality education and care while minimising regulatory and administrative burden.

Despite a National Partnership Agreement no longer being in place to set a formal review cycle of the NQF, all governments are committed to continuous improvement and review of the NQF to support better outcomes for all children.

Draft recommendation 2.1

Ensure appropriate quality regulation for services outside the scope of the National Quality Framework

CCCFR

The Australian Government provides additional funding to ACECQA for specific projects that support services, including those out of scope of the NQF. One example is the Community Child Care Fund Restricted (CCCFR) Quality and Safety Training Package (CCCFR Training Package), funded by the Australian Government Department of Education and delivered by ACECQA.

The CCCFR Training Package delivers tailored professional development to over 150 services that provide quality children's education and care for approximately 5000 children, 40% of whom are, based on Department of Education data sources, Aboriginal and or Torres Strait Islander children.

Stage 1 of the CCCFR Training Package delivery ran for 18 months, starting in 2021 and into early 2023. The approach is evidence-based building on successful programs such as the *Quality Support Program (QSP)* outlined below and research on the benefits of building the capability of service leaders to improve and sustain the quality of safety and supervision in CCCFR services.

This is achieved through providing quality online activities and resources, as well as eLearning materials focused on best practice standards and processes to strengthen the quality of safety and supervision provided for children. Additionally, for services out of scope of the NQF and not otherwise regulated under state/territory *legislation*, additional support was provided through facilitated support, workshops and site visits to:

- embed the practice from the learning materials at their service
- build capability in quality supervision and care practices and processes, and
- enable improved outcomes for children over the longer term.

Based on the successful outcomes of Stage 1, ACECQA was funded by the Department of Education to commence Stage 2 of the CCCFR Training Package. Stage 2 commenced in early 2023 for a further 18 months.

In Home Care

In Home Care (IHC) is an approved service type under the Australian Government Child Care Package that provides a flexible form of education and care that takes place in the family home, specifically for families who are unable to access other types of approved education and care because they are either geographically isolated, work non-standard or variable hours, or are families with complex and challenging needs. It supports equitable access for children and families who otherwise would not be able to access high quality education and care.

While the *Child Care Subsidy Minister's Rules 2017* require IHC services to commit to providing high quality education and care and to adhere with the *IHC Program Guidelines*, neither the Ministers Rules nor the IHC Program Guidelines prescribe specific policies, procedures or quality and safety standards to objectively measure quality and safety.

In March 2023, the Australian Government engaged ACECQA to develop and pilot a refreshed, national quality and safety framework that supports the quality and safety of education and care provided through the IHC program to enable and embed sustainable high-quality practice. The proposed new framework will be supported by a professional development program to strengthen the knowledge and capability of educators to deliver high quality education and care and build communities of practice across IHC services and providers.

Quality Support Program (QSP) and Targeted Quality Program (TQP)

ACECQA has partnered with both the NSW and QLD Departments of Education to support services out of scope of the NQS to enhance quality by coaching and mentoring service leaders and providing targeted resources and training (using the NQF as a quality benchmark) to service teams.

Draft finding 2.3

It is unclear whether the National Quality Framework is fit for purpose for outside school hours care

The NQF and its components – the National Law and National Regulations, the NQS, the assessment and rating process and the ALFs – were created as the quality framework for the education and development of children, regardless of their age. It is a framework that could be adopted as an effective accountability and performance framework by the school system.

For OSHC, the NQF provides a very important model for ensuring children and young people are safely participating in quality activities before and after school, and during vacation care. ACECQA believes it is important to keep OSHC under the national system and protection of the NQF to ensure quality outcomes for children and young people, and that a national framework for children’s safety, wellbeing and development is more readily coordinated than any model that would see a return to eight separate regulatory systems.

Any expansion of OSHC provision connected to public schools is best undertaken through a systemized approach, rather than a school-by-school approach. This provides an ideal opportunity for state and territory Education Departments to play a deeper role in ensuring quality OSHC provision located on government school grounds. The benefits of this approach could include:

- Education Departments can support schools to identify and select high quality OSHC providers through a consistent tendering (or similar) process, ensuring a focus on the quality and safety requirements of the NQF, as well as the needs of the school community.
- A systemized approach would support consistency in OSHC provision across school sites and equity for children, particularly in areas such as minimum requirements for facilities (e.g. access to a kitchen, appropriate outdoor and indoor space, toilets, etc.), and numbers of educators and other staff.
- Greater involvement and information sharing from regulatory authorities with their Education Department colleagues to include their knowledge of the NQF, including the application of legislative requirements, learning frameworks and their expertise in identifying the provision of high quality OSHC within contracts/tender processes.
- Less administrative burden on the school principal to establish and/or manage an OSHC service with significant support from Education Departments to understand obligations under the NQF.
- Schools, particularly school principals, are supported, and therefore encouraged to engage high quality OSHC providers for the benefit of their school community.
- OSHC services continue to provide quality education and care and maintain their commitment to improvement at each site, through targeted Quality Improvement Plans.
- States and territories can provide resources and guidance to the school sector and OSHC providers to support quality relationships and a shared understanding of children’s learning, development and wellbeing.

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Work has and continues to be undertaken to ensure the assessment and rating and regulation of OSHC services continue to recognise their unique context. In December 2018, Education Ministers agreed the Terms of Reference for the 2019 NQF Review. These included to ensure that the NQF continues to meet its objectives and to consider the efficacy and sustainability of the NQF given the evolution of the education and care sector. In May 2022, Education Ministers approved the final report on the 2019 NQF Review and the policy decisions in the DRIS. This included recommendation 6.1, Option B, to ‘review and consider changes to the assessment and rating methodology for services whose main purpose is providing education and care to children over preschool age’.

Stakeholder feedback from services and families has pointed to perceived discrepancies between the NQF assessment and rating process and the unique features of OSHC services compared to other centre-based services. The work progressing recommendation 6.1 aims to ensure an appropriate assessment and rating process for OSHC services, including considering the unique features of the service type and ensuring that quality is measured in the context of an OSHC service.

Further, regulatory authorities, in carrying out their monitoring and compliance functions, apply the National Law and National Regulations to OSHC services with an ‘OSHC lens’. Authorised officers are trained and tested to consider this lens, how OSHC differs from other service types (including long day care), differences in evidence types between services, and are provided with OSHC-specific examples in their training to illustrate how the NQF applies to this service type.

The 2019 NQF Review also recommended the introduction of program-level documentation requirements for children over preschool age, in response to the unique features of OSHC services including their significantly varying enrolment and attendance patterns and their often-shorter hours of education and care. The introduction of this change is intended to minimise some of the administrative burden on OSHC services. Program-level, rather than child-level, documentation is now in place in all states and territories except for the ACT. The ACT will maintain its current position, requiring child level evaluations of each child’s wellbeing, development and learning.

In preparation for the NQF, a specific ALF for school age children was introduced in 2011 – *My Time Our Place; the Framework for School Age Care*, acknowledging the different focuses of children and young people’s learning and development in an OSHC context. The recent review of the ALFs found these frameworks are held in high regard within the education and care sector, in supporting educators’ work improving outcomes for children and young people. The updates to *My Time, Our Place V2.0; the Framework for School Age Care Version 2.0* strengthened content on play and leisure, the planning cycle and assessment of children and young people’s wellbeing, learning and development in OSHC.

There is still more work to be done with the school sectors to improve the relationship between the OSHC provider and the school, including clarity of responsibilities for the safety, health and wellbeing of children and young people as they transition between both, often on the same school grounds.

The Excellent rating

ACECQA makes determinations regarding the highest quality rating level (the Excellent rating) for education and care services. Services rated Exceeding NQS in all seven quality areas are eligible to apply. Some OSHC services currently hold and have previously held the Excellent rating, demonstrating their ability to not only meet, but significantly exceed, the NQS through evidence of exceptional policies, programs and practice.

Workforce

Outside school hours care service providers experience significant workforce challenges due to the split shift structure of the work. Unlike other children's education and care service types, there are no national mandatory qualification and staffing requirements for outside school hours care services under the NQF, with state and territory based requirements varying significantly. The casual nature of the work, often with split shifts, combined with competition from other parts of the children's education and care sector, particularly the long day care sector where full-time hours are much more readily available, can contribute to very high staff turnover. There is an increasing trend towards broadening the lists of recognised qualifications and disciplines to provide increased flexibility and acknowledge the unique nature of OSHC.

In July 2022, ACECQA was commissioned to coordinate a review of NQF staffing and qualification regulations on behalf of all governments. A key component of this review was consideration of how national consistency can be improved for OSHC qualification and staffing requirements. Public consultation findings indicated there is strong aspiration for a nationally consistent approach to qualifications for OSHC educators, including minimum requirements for skills and knowledge, however, there remain operational concerns from approved providers given current and ongoing acute workforce challenges.

An emerging opportunity is the appropriate use of 'micro credentials' – short certification courses that allow individuals to gain new professional skills more quickly than a traditional qualification to meet growing demand. It is not intended that these would take the place of a qualification but rather ensure core safety and contextual knowledge required for working with children over preschool age is completed by all educators, regardless of discipline or specialisation. The final recommendations of this review are currently under consideration by Education Ministers.

With most OSHC services operating on school sites, the relationship between the school and the service is crucial to ensure high quality children's education and care. When the relationship is strong and collaborative, it is mutually beneficial. Internationally, a growing number of countries are taking an extended education approach for school age care, where before and after school care and vacation care is an extension of the school continuum supported by shared curriculum and learning outcomes. Employment opportunities before, during and after the formal school day are more seamless and there is a shared responsibility for children's learning and development.

The information above also provides ACECQA's response to *Information request 2.1: Suitability of the National Quality Framework for Outside School Hours Care*.

NEW COORDINATION MECHANISMS WILL SUPPORT UNIVERSAL ACCESS

Draft finding 9.3

System stewardship is a missing part of the policy puzzle

Draft recommendation 9.1

Improve policy coordination and implementation

Draft recommendation 9.2

Establish an ECEC Commission

In 2007, the Council of Australian Governments (COAG) agreed to establish a jointly governed system for early childhood education and care and outside school hours care services. This focussed on the dual pillars of accessibility and affordability, and quality of early childhood education and care provision, both of which were addressed through separate National Partnership Agreements:

- *National Partnership Agreement on Universal Access (2008 to 2021)*
Following the cessation of the UANP at the end of 2021, the Australian, state and territory governments agreed to the new Preschool Reform Agreement (2022 to 2025);
- *National Partnership Agreement on the National Quality Agenda (2009 to 2015; 2016 to 2018)*
Through the NP NQA, the Australian Government and all states and territories committed to a set of objectives which included the *delivery of an integrated and unified national system for early childhood education and care and OSHC, which is jointly governed and which drives continuous improvement in the quality of services.*² The agreement described the roles and responsibilities of each party, and the funding and governance arrangements over the life of the agreement.

The NP NQA led to the establishment of ACECQA, responsible for guiding the implementation and management of the new integrated NQF. It outlined the governance arrangements and responsibilities of ACECQA which were later enshrined in the National Law. ACECQA, since its establishment in 2011, continues to provide unique, independent national oversight to the children's education and care sector.

Both national agreements demonstrated the shared commitment of the Australian Government, state and territory governments and ACECQA to achieve the objectives of the NQF, including a focus on continuous quality improvement in the provision of education and care, due to the importance of quality in improving children's outcomes. This commitment remains, over ten years after the NQF was first introduced.

Despite the ending of the NP NQA, it is evident that each party remains committed to the objectives of the NQF and to driving improvements in Australia's education and care system. Recent policy and expanded funding announcements by states and territories evidence this ongoing commitment to quality education and care.

² Australian Government (2009), National Partnership Agreement on the Quality Agenda for Early Childhood Education and Care, accessed 11 January 2024.

As noted in the draft report, the Australian, state and territory governments are developing a joint National Vision for Early Childhood Education and Care, which may formalise and demonstrate this commitment to the sector. The Australian Government continues its role in funding education and care via the Child Care Subsidy and is developing an Early Years Strategy, demonstrating its whole-of-commonwealth commitment to achieving best possible outcomes for Australian children.

ACECQA's role within the NQF

In 2019, Education Ministers commissioned a review of ACECQA to confirm ACECQA's operations remained 'fit for purpose' and in line with the objectives and guiding principles of the National Law.

The review found ACECQA plays an integral role in supporting quality early childhood education and care by promoting national consistency and driving continuous quality improvement. Through the review, ACECQA demonstrated its critical and unique national role in supporting regulatory authorities and improving quality for children in education and care services across all jurisdictions.

ACECQA's impartiality as the independent national authority is a strength of Australia's education and care system. ACECQA's independence enables it to authentically monitor and oversee the implementation of the NQF across all jurisdictions. ACECQA's strong relationships with regulatory authorities, service providers and the Australian Government are built on a shared commitment to continuous improvement. This is demonstrated by ACECQA's history of brokering agreements on and implementing system-level improvements that support the objectives of the NQF. ACECQA produces national guidance materials in collaboration with regulatory authorities, sector representatives and expert organisations to support quality improvement for all services, no matter where they are located, for the benefit of all Australian children and families.

Acknowledging ACECQA's experience, independence and sector credibility, some states and territories as well as the Australian Government have commissioned ACECQA to deliver bespoke programs and services to promote and improve quality outcomes for children and their families.

ACECQA hosts, manages and enhances the National Quality Agenda IT System (NQA ITS), which contains national regulatory information and data on education and care providers and their services. This online system allows approved providers to securely and directly submit relevant applications and notifications to regulatory authorities, and supports regulatory authorities to carry out their functions, including provider and service approvals, assessment and rating, and monitoring and compliance. ACECQA works collaboratively with regulatory authorities to make improvements to the NQA ITS to ensure the system remains fit for purpose. The NQA ITS enables ACECQA to audit, report on and provide insights into trends and emerging issues across the sector, and to work with stakeholders to improve the quality of education and care service provision.

ACECQA notes the recommendation in this review, and others being undertaken across the ECEC sector, around opportunities to improve system planning, evaluation of costs and benefits, increased research and strengthening the stewardship of the system, including the establishment of an ECEC Commission.

Given the considerable costs associated with establishing any new governing body, further consideration should be given to the potential for established agencies to take on these responsibilities, making efficient use of government funding and existing investment, efficiencies to be realised through streamlined oversight of the system, and established expertise and credibility within the sector.

ACECQA has long played a role in reporting on NQF outcomes and evaluating the performance of the national system, within the parameters of currently agreed indicators, including analysis published in the quarterly NQF Snapshot, Annual Performance report and occasional papers. Similarly, given its remit, the Australian Education Research Organisation (AERO) is well placed to deliver on the strengthened research agenda recommended by this review.

ACECQA is suitably flexible to take on new functions and/or expand the scope of its services and regulatory system tools, as for example demonstrated by the addition of skilled migration assessments to our remit several years ago, or the more recent 'joining up' of provider and service approval applications under both the FAL and NQF. Subject to any necessary structural changes that may be needed, ACECQA is ready to assist governments and to expand its role as required to support the ongoing evolution of the sector.

Productivity Commission

Information requests

Suitability of the National Quality Framework for Outside School Hours Care 2.1

ACECQA's response to this information request is provided at *Draft finding 2.3: It is unclear whether the National Quality Framework is fit for purpose for outside school hours care.*

Cultural safety in ECEC services 2.2

Through newsletter articles, social media posts and participation in sector professional development opportunities (such as the Narragunnawali Webinars) ACECQA proactively seeks opportunities to raise sector awareness, knowledge and implementation of culturally safe programs, practices and environments. Additionally, through the implementation of the refreshed approved learning frameworks, including the adaption of the principle from cultural competence to cultural responsiveness, cultural safety is a highlighted practice. Information sheets were published to support the sector.

ECEC related vocational education and training 3.1

The NQF sets staffing requirements for regulated services, including requirements for educators to hold [approved qualifications](#). The 2021 Early Childhood Education and Care National Workforce Census indicates that approaching one-third of the workforce are Certificate III qualified educators, with more than 40% being Diploma qualified educators. As such, the quality of vocational education and training is of critical importance.

In 2017, the Australian Industry and Skills Committee (AISC) commissioned SkillsIQ to review six children's education and care qualifications, including the national Certificate III and Diploma of Early Childhood Education and Care. ACECQA was a representative on both the Industry Reference Committee (IRC) and Technical Advisory Committee (TAC) for this review.

As part of the review, it was proposed that the previously embedded Certificate III be removed from the Diploma. It was also proposed that there would be a mandatory entry requirement of either the new CHC30121 Certificate III in Early Childhood Education and Care or the superseded CHC30113 Certificate III in Early Childhood Education and Care to enroll in the new Diploma.

The SkillsIQ review of the six children's education and care qualifications was completed in August 2021, with the Australian Skills Quality Authority (ASQA) approving a formal request from SkillsIQ to extend the training package teach-out period until 20 January 2023.

As part of the approval, the AISC requested research be commissioned to examine the impact of the Certificate III entry requirement on Diploma enrolment/completions.

HumanAbility has recently taken over from SkillsIQ as the new Jobs and Skills Council (JSC) responsible for the early childhood vocational training packages.

Falling completion rates for early childhood teaching qualifications 3.3

The most recent NQF Annual Performance Report, published in November 2023, includes the following relevant information:

“In addition to decreasing numbers of students completing early childhood and primary initial teacher training degrees, students are taking longer to complete their studies than in previous years. Less than one third (30%) of early childhood initial teacher education students who commenced their studies in 2018 completed their studies within four years, compared to approaching half (45%) of students who commenced in 2009. This may in part be due to an increased proportion of students completing their studies part-time while they are employed in the sector, as part of the ‘actively working towards’ provisions in the National Regulations.

The four-year completion rates for both early childhood and primary initial teacher training degrees are markedly lower than the completion rate for all higher education degrees.”

‘System navigator’ roles in the ECEC sector 7.2

ACECQA continues to provide an increasing range of resources to support families navigating the education and care system via our family focused website, StartingBlocks.gov.au.

ACECQA’s [Families’ Survey 2023](#) found that a high proportion of respondents continue to rely on word of mouth to help them find out more about children’s education and care services.

Of those survey respondents who used word of mouth to find out more about education and care services, they primarily spoke with friends and/or family, followed by educators at the service, other parents, and teachers at the school where the service is located.

Of those survey respondents who used government websites to find out more about education and care services, the most commonly used websites were state and territory government websites, followed by the ACECQA website and the StartingBlocks.gov.au website.

ACECQA believes that by hosting comprehensive and evolving information and resources about the education and care sector for families on one website, families are provided with current and accessible information.

Provision of service ratings information for families 8.1

When considering how a service’s quality rating could be more useful to families, it may be beneficial to consider the most recent families survey conducted by ACECQA, which included the following findings:

- Although families ranked quality ratings low in terms of importance when choosing a children’s education and care service, factors related to quality, such as highly skilled educators and high-quality early learning programs, were rated as important. This suggests an ongoing opportunity to emphasise the link between the NQS rating and these aspects of quality.
- Of those respondents who were aware of the quality rating(s) of the service(s) they use, most found the quality rating information helpful (35%) or very helpful (52%). This is similar to results seen in 2021 and 2019.
- The small number of respondents who said that they found the quality rating information unhelpful or very unhelpful were asked why this was the case. Similar to previous waves, common responses included that the quality rating is subjective and not always a true representation of service quality, and that the quality rating information needs more detail and explanation.
- In terms of respondents’ attitudes about quality ratings, a higher proportion of respondents agreed or strongly agreed that the quality ratings provide an accurate indication of the quality of education and care provided to their child/children (65%) and that the education and care service they use/intend to use provides clear information about their quality ratings (57%). A lower proportion of respondents agreed or strongly agreed that they had conversations with their education and care service(s) about their quality ratings (33%).

The type of service a survey respondent was using also influenced the importance they placed on specific factors. For example, cost/affordability and location/accessibility were the two most important factors for survey respondents using outside school hours care services. Many families have limited choice, with the local school often determining the outside school hours care provider, and therefore the cost/affordability of that service can be a key factor in deciding whether to use the service.

Cost/affordability was also the most important factor for survey respondents using family day care services, followed by a high quality early learning program and highly skilled educators, the latter two of which were ranked most highly by survey respondents using preschool/kindergarten services. Survey respondents using long day care services ranked a number of decision-making factors highly, with the general 'feel' of the service ranking as the most important factor for this group.

Survey respondents were also asked what other factors, if any, influenced (or would influence) their choice of service. Similar factors were raised to previous waves, including:

- relationships with, and between, educators and children (such as how friendly and approachable the educators are and how they interact with the children)
- how happy and comfortable the children are at the service
- that the service provides a safe and healthy environment
- educational programs and activities offered.

These findings accord with preliminary results from a voluntary survey of parents and guardians undertaken by the Australian Competition and Consumer Commission (ACCC) which found that, once households had decided how much childcare they can afford to use, nonprice and service differentiation factors drove decision-making, such as location, availability, safety and security, and connections with educators.

Regulatory actions against serial underperformers 8.2

Under the NQF, state and territory regulatory authorities can exercise a range of powers to address non-compliance at a service or by an approved provider. Regulatory authorities have identified that, in most circumstances, their enforcement powers under the law are sufficient. In serious cases, options include issuing prohibition notices, removing a child from the premises, cancelling/suspending a service or provider approval, or prosecuting an offence under the law in a range of circumstances that present an unacceptable risk to children.

A prohibition notice can be issued where there is an unacceptable risk of harm to a child. The notice prohibits a person from remaining on the premises, undertaking the role of Nominated Supervisor, or providing education and care. Removal of a child can occur if there are reasonable grounds to consider there to be an immediate danger to their health or safety. In such a case, the regulatory authority and any person reasonably required to assist them (such as a police officer) can enter the premises without warrant and use reasonable force as necessary.

Regulatory authorities may also commence legal proceedings for an offence. Prosecutorial action allows the regulatory authority to seek a financial penalty, which has a general deterrent effect in the market. Prosecutions also signal the seriousness with which regulatory authorities treat breaches of the law. Accountability and deterrence can also be achieved through the publication of enforcement action, including information about compliance notices, prosecutions, enforceable undertakings, and suspensions or cancellations of approvals. The threat of reputational damage arising from publication can dissuade operators from engaging and/or persisting in breaches.

More specifically, it is also noted that a regulatory authority may suspend a service approval on a number of grounds, including where the service has operated at a quality rating level of not meeting the National Quality Standard, and there has been no

improvement over time. ACECQA considers there is merit in more nationally consistent, targeted use of such powers.

All regulatory authorities do undertake compliance action that is proportionate and based on the principles of best practice regulation, the details of which are set out in the Guide to the NQF. In deciding what action to take in response to a breach, regulators consider the history of the provider or individual, including their willingness and ability to comply.

Information about enforcement action, publication of enforcement action and compliance tools are included in the *Guide to the NQF*, which allows for a consistent understanding between regulators and regulated entities.

Under the NQF, only one provider approval is required to apply to operate services across multiple states or territories. An emerging issue facing regulatory authorities is the monitoring of related providers opening services under multiple provider approvals. Related providers may have

overlapping personnel, but, under the NQF, the relatedness of providers is not immediately apparent, particularly when operating across multiple jurisdictions, but becomes known after some level of investigation.

The National Law allows for enforcement action to be taken at the individual provider approval level but does not envisage a scenario where related providers organise themselves across multiple provider approvals. There may be merit in establishing new regulatory responses and/or legislative changes that better addresses such scenarios.

Information contained in ACECQA's response to *Draft recommendation 8.4 – Incentivise quality provision in new ECEC services* also provides context for this information request.

Support for services to meet the NQS

Data from the ACECQA Snapshot indicates that as at 1 October 2023, more than 1,660 services across Australia are not yet meeting the NQS:

OR1: Overall quality ratings by jurisdiction

Jurisdiction	Significant Improvement required	Working Towards NQS	Meeting NQS	Exceeding NQS	Excellent	TOTAL
ACT	0	61	133	151	2	347
NSW	1	513	3,942	1,096	14	5,566
NT	0	36	153	24	0	213
Qld	1	302	2,033	677	7	3,020
SA	0	202	552	473	2	1,229
Tas	1	36	129	47	0	213
Vic	0	300	2,686	1,132	7	4,125
WA	0	209	798	125	0	1,132
TOTAL	3	1,659	10,426	3,725	32	15,845

Get the data – Created with Datawrapper

The Snapshot also indicates that 2078 services previously rated Working Towards NQS received the same rating again after reassessment. This could indicate that these services continue to need more support to meet the NQS.

ACECQA has been partnering with the NSW Department of Education for over five years to develop and deliver the Quality Support Program (on a cost recovery basis) to more than 700 services. The Quality Support Program's evaluation data from the last five years highlights the program's success in uplifting quality in all education and care service types. The program evaluation presents key findings including that 73 percent of participating services improved their overall rating to Meeting NQS or above in their first post-program assessment and rating. Additionally, improvements were recorded across all 15 NQS standards, with 91.7% of participating services increasing the number of elements Meeting NQS. Benchmarked against counterpart services that did not participate, participating services exhibited markedly better outcomes.

Learnings from this program have informed the development of similar programs funded by the Australian Government (for Aboriginal and Torres Strait Islander services in predominantly rural or remote areas) and funded by the QLD Department of Education (for services not yet meeting the NQS).



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