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Bangor NSW 2234 19 May 2023

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Dear Commissioners,

RE: Submission on the inquiry into Early Childhood Education and Care

Thank you for allowing Centre Support to submit our response to the public consultation on the Productivity Commission inquiry into Early Childhood Education and Care. We are pleased to provide our submission, which specifically addresses the key aspects outlined in the terms of reference.

Centre Support is a leading organisation dedicated to promoting and advancing early childhood education and care. Commencing in 2008, we work closely with the early childhood sector to ensure high-quality education and care for young children. We have over 4000 customers in the early childhood sector across Australia. Centre Support has a long history conducting research with the university sector, including funding research with the Australian Research Council and Charles Sturt University investigating Babies and Belonging.

Developmental and educational outcomes for Australian children, including preparation for school

ACECQA should not have the authority to fund research or engage with the university sector as it could potentially hinder the university sector's ability to critically evaluate and provide unbiased perspectives on policy, laws, regulations, National Quality Standards, and learning frameworks. The responsibility of research and funding should be managed by a federal government department instead.

Without independent and critical research on the implementation and evaluation of the National Quality Framework (NQF), ACECQA is not able to accurately assess the success of the NQF based solely on service ratings. By funding the university sector to conduct research, write reports, and update the learning frameworks, ACECQA may have inadvertently limited a comprehensive understanding of the developmental and educational outcomes achieved. Additionally, the initial versions of the Early Years Learning Framework and My Time Our Place were never evaluated, while the Australian Early Development Index (AEDI) indicates mixed results and does not consistently demonstrate the benefits of the NQF.

Looking at the situation from a different perspective, it raises questions as to why many Australian states are investing billions of dollars in early childhood initiatives to address issues that the NQF was intended to resolve. Moreover, there is concern about deteriorating behaviour in schools, increasing

Centre Support Pty Ltd I P: 1800 440 102 I PO Box 3378 Bangor NSW 2234 I W: centresupport.com.au P a g e | 1 numbers of illiterate children, and the apparent discrepancy between the importance of early childhood education as a foundation for success and the lack of desired outcomes.

Given these concerns, it would be prudent to reassess 227 Powers of National Authority, of the Education and Care Services National Law Act 2010 and rewrite the current funding and research arrangements, ensuring that research and evaluation are conducted independently and critically to gain a comprehensive understanding of the effectiveness of the NQF and its impact on children's developmental and educational outcomes.

Regulatory burden

There are concerns regarding the performance of ACECQA in fulfilling its obligations under the Education and Care Services National Law Act 2010, specifically regarding the functions outlined in Section 225.

Section 225 of the Act states that the National Authority, ACECQA, must carry out its functions while ensuring that the regulatory burden on education and care services is minimised to the greatest extent possible. However, there are instances where ACECQA's actions and decisions have raised questions about their adherence to this requirement. For example, The National Quality Standards (NQS) and the Learning Frameworks (Early Years Learning Framework - EYLF and My Time Our Place -MTOP) share similarities in their objectives and content, which can result in a duplication of efforts and resources.

Both the NQS and the Learning Frameworks aim to guide and improve the quality of early childhood education and care services. They address similar aspects such as educational program and practice, children's health and safety, physical environment, relationships with children, collaborative partnerships with families and communities, and leadership.

This overlap often leads to redundancy and a potential waste of time and resources for early childhood education providers. The duplication in requirements and expectations can create confusion and an unnecessary administrative burden, diverting valuable time and energy away from direct interactions and learning with children.

To streamline and optimise the NQF, it may be worth considering removing five quality areas from the National Quality Standards as the Learning Frameworks are doing the work required. The fivequality area to remove would include QA1 Educational program and practice, QA2 Children's health and safety, QA3 Physical environment, QA5 Relationships with children, QA6 Collaborative partnerships with families and communities. This would allow for a more cohesive and efficient quality assurance system that focuses on the essential elements of providing high-quality early childhood education and care.

Assessment and Rating

The current Assessment and Rating (A&R) process in early childhood education and care is deeply flawed and ineffective. Authorised officers responsible for conducting assessments often demonstrate a lack of understanding of outcome-based systems, reducing the process to a rigid, black and white compliance exercise. This undermines the original purpose of the assessment, which was intended to evaluate the quality and effectiveness of services based on outcomes achieved.

One of the most concerning aspects of the A&R process is the way in which the authorised officers conduct their actual A&R visits/inspections. The power balance between authorised officers and service providers is heavily skewed, leading to a lack of fairness and respect. This imbalance of power erodes trust between the parties involved.

Furthermore, authorised officers often impose their own interpretations and biases onto the assessment process, deviating from established guidelines and regulations. This subjective approach results in inconsistencies and a lack of transparency, making it difficult for service providers to understand and meet the expectations set forth.

The focus has shifted away from the quality of education and care provided to a narrow checklist of predefined criteria. This shift undermines the original intention of fostering positive outcomes for children and stifles innovation and creativity within services.

When a service decides to challenge a decision made by regulatory authorities, it appears that there is a tendency for these authorities to close ranks and exploit the power imbalance. This tactic effectively restricts services from proceeding with their challenges, and the issue persists even at higher levels, including ACECQA and second-tier reviews. The numbers reflect this situation, with New South Wales (NSW) exhibiting a concerning level of inconsistency and a disproportionate number of services seeking a review.

The power dynamics at play often favour the regulatory authorities, creating an unfair advantage that hinders the ability of services to question or contest decisions made during the assessment and rating process. This power imbalance can be observed in the way authorities handle challenges, making it challenging for services to have their concerns heard and properly addressed.

Even when services make efforts to engage in the review process and seek redress for perceived inaccuracies or inconsistencies, there is a tendency for regulatory authorities to protect their decisions rather than fostering a fair and transparent environment for resolution. This practice is particularly evident in NSW, where a significant number of services have expressed dissatisfaction and have requested reviews of their assessments.

The high number of service review requests in NSW suggests a pattern of inconsistency and potential issues within the assessment and rating process. This inconsistency undermines the credibility of the process and raises concerns about the fairness and impartiality of the regulatory authorities involved.

Addressing this issue requires a comprehensive examination of the power dynamics within the assessment and rating system and the review processes. It is essential to ensure that services have equal opportunities to challenge decisions without facing undue barriers or resistance. Implementing transparent mechanisms for reviews and creating a more balanced power dynamic between services and regulatory authorities will help foster a fair and accountable system.

In a practical demonstration of the flaws within the Assessment and Rating (A&R) process, I would like to highlight an incident involving a specific service in May 2023 which is not an uncommon event. This service, had received an "Exceeding" rating in their two previous A&R assessments. However, during their most recent assessment, they were given a meeting in the draft report due to alleged failure in critically reflecting.

Interestingly, the service had meticulously maintained folders containing three years' worth of critical reflections for the visit as evidence of their commitment to continuous improvement. When the authorised officer conducting the assessment was presented with these folders as supporting evidence, they refused to review them, stating that they did not have the time and requested the service to provide verbal explanations instead. This dismissive approach was disheartening for the service, as they had put significant effort into compiling and organising the evidence.

It was only when the service decided to file a complaint letter regarding the conduct of the authorised officer, accompanied by the evidence contained in the folders, that the report was subsequently revised to reflect an "Exceeding" rating. This incident highlights the unnecessary hurdles and frustrations faced by services during the A&R process.

The refusal of the authorised officer to review the folders of critical reflection not only displayed a lack of consideration for the evidence presented but also showcased a disregard for the service's efforts in maintaining a high standard of practice. Had the officer taken the extra time to review the evidence, the service would have been spared the 57 hours they had spent in preparing and submitting the existing evidence.

Unreasonable expectations are placed on service providers, with excessive and unrealistic requirements imposed. This places an undue burden on services, diverting resources and attention away from the actual provision of quality education and care. The excessive demands lead to stress and burnout among educators and administrators, negatively impacting the overall quality of service delivery.

Economic growth, including through enabling workforce participation, particularly for women, and contributing to productivity

The cost of early childhood education and care is a major expense for families, especially when they have more than one child requiring education and care. With each child enrolled in a service, the financial burden on families can increase significantly. This situation becomes even more challenging when families have limited income or if a parent is, or wants to retrain or transitioning into new career paths. The reduction in take-home pay due to high childcare costs can create a disincentive for workforce participation, as the financial gains may not adequately offset the expenses associated with early childhood education and care.

The new Child Care Subsidies (CCS) commencing in July will be of assistance to families.

Outcomes for children and families experiencing vulnerability and/or disadvantage, First Nations children and families, and children and families experiencing disability

The outcomes for children and families experiencing vulnerability and/or disadvantage, First Nations children and families, and children and families experiencing disability are currently falling short of expectations. Numerous instances have been witnessed where these groups are not receiving the necessary support and services they require.

The complexity of addressing these issues cannot be understated. However, there are concerning cases where the regulatory authority in NSW appears to be intentionally causing difficulties for services that provide essential support to Aboriginal children. This creates a significant problem as the quality-of-service delivery is dependent on the community, the people who are available to be employed, and the resources available. In such circumstances, it is crucial to assess whether it is more beneficial to assist the service in meeting the needs of the community, thereby providing a safe environment for young Aboriginal children for eight hours a day. Alternatively, the closure of these services, which appears to be the goal of the regulatory authority in NSW, would leave these

vulnerable children in families struggling with drug and alcohol dependency, lack of food, and inadequate parenting and hygiene skills.

Families receive greater support when they are part of a centre.

These centres conduct welfare checks by calling to ensure the child's whereabouts and can promptly notify case workers if needed. Centres assist families by providing referrals, accessing speech and allied health services, scheduling the appointments at the service, and meeting the basic needs of the children, such as ensuring they are fed and have clean nappies. By addressing these needs, centres play a crucial role in supporting vulnerable families. It is crucial to provide centres with additional training, support, and resources to effectively manage the complex issues surrounding vulnerable and disadvantaged children and families. Not harsh compliance directives from people working in a Sydney office with no experience working with Aboriginal communities.

Children and families experiencing disability

From a service's perspective, it is vital to have more experienced educators with training in special education, preferably a degree or post graduate qualification. External supplementation of this training and wages is necessary to ensure the inclusion of children with diverse needs. However, the administrative burden associated with accessing inclusion support can be overwhelming, creating barriers to providing the necessary assistance.

Highlighting just one example of numerous instances with services, in 2022 an Aboriginal child with autism attended a centre for one day a week, starting off with an hour and building up to four hours. This child went to attend school in 2023, and the school was unable to cater for his needs, however the department placed him in a support unit for two days a week for two and half hours per day. Leaving the mother distraught and returning to the early childhood service for support, advice and care for the extra days. This limited access to essential services highlights the challenges faced by both families and centres in providing adequate support.

To address these issues effectively, it is crucial to allocate more resources to recruit and train experienced educators with specialised skills in special education that work in early childhood services. Additionally, streamlining the administrative processes related to inclusion support can alleviate the burden on centres.

Educators would greatly benefit from specialised training in areas such as trauma-informed care, cultural sensitivity, and inclusive practices. This training would enhance their understanding of the unique challenges faced by these children and families, equipping them with the skills and knowledge necessary to provide appropriate support.

In addition to training, centres require ongoing support and guidance from professionals with expertise in areas such as social work, counselling, and neuro diverse development. These professionals could offer consultation and mentoring to educators, helping them navigate complex situations and develop effective strategies for supporting vulnerable children and families.

Collaboration and partnerships with external agencies and community organisations are also essential. However, in most communities, especially rural and remote, these specialists are limited or at capacity and not able to assist at a centre level.

ECEC sector workforce requirements and the capacity to meet these requirements within current Commonwealth, state and territory initiatives.

The early childhood education and care sector faces significant challenges, exacerbated by issues with the workforce, and the role of ACECQA in ensuring a suitable workforce.

One of the primary obstacles is the shortage of qualified educators, which impacts the capacity of services to operate at their full potential. ACECQA plays a crucial role in ensuring a skilled and suitable workforce, yet there are concerns about their effectiveness in this regard. For instance, there is a lack of acknowledgement of overseas qualifications, making it difficult for highly qualified individuals to have their expertise recognised in Australia. Additionally, there have been past restrictions that required degree-qualified individuals to complete a master's degree, resulting in unnecessary barriers for those with relevant qualifications.

Another issue is the limited recognition of transferrable skills from other sectors. Many professionals possess qualifications that could contribute to the early childhood education and care sector. However, ACECQA's current practices may not adequately acknowledge or leverage these skills, leading to a missed opportunity in diversifying the workforce and tapping into valuable expertise.

Furthermore, there are concerns about ACECQA's ability to adapt to evolving workforce needs and advancements in the sector. ACECQA's responsiveness to emerging trends, research, and innovative practices is essential in ensuring that the workforce remains competent and capable of meeting the evolving demands of the sector.

To address these challenges, it is crucial for ACECQA to review and refine their processes for recognising overseas qualifications, considering alternative pathways for highly qualified individuals. They should also reassess the requirements for further qualifications, ensuring that they are reasonable and not unnecessarily restrictive. ACECQA must also enhance their recognition of transferrable skills, acknowledging the value that professionals from other sectors can bring to early childhood education and care. By valuing diverse experiences and qualifications, ACECQA can help foster a more dynamic and skilled workforce.

Yours Sincerely

Matthew Stapleton Director