



Australian Children's  
Education & Care  
Quality Authority

# **Response to the Productivity Commission's Draft Report on Child Care and Early Childhood Learning**

**September 2014**



## Contents

|  |    |
|--|----|
| Qualifications and ratios .....                                      | 5  |
| Scope of the National Quality Framework.....                         | 12 |
| The National Quality Standard and quality assessment and rating..... | 14 |
| Regulatory burden .....  | 17 |
| Other matters .....  | 20 |



4 September 2014

Dr Wendy Craik AM  
Presiding Commissioner  
Childcare and Early Childhood Learning  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

Dear Dr Craik

ACECQA welcomes the Productivity Commission's (the Commission) draft report on its Inquiry into Childcare and Early Childhood Learning.

In particular, ACECQA welcomes the Commission's key draft findings on the National Quality Framework (NQF) for children's education and care services, including that –

*The NQF for ECEC (early childhood education and care) services must be retained, modified, and extended to all Government funded services (p 2)*

*There is broad support for the NQF in the ECEC sector (including amongst those services not currently within scope of the framework) (p 12)*

*The NQF has established a minimum national standard for ECEC which is acknowledged as improving the quality of care provided (p 265).*

The draft report also acknowledges that while the new national system of regulation is more efficient than the separate jurisdictional systems it replaced, scope for improvement exists.

ACECQA agrees that, as with any new system, there is room for continual improvement. The NQF has been in place for just over two and a half years, and its introduction represents a fundamental shift in Australia's policy approach to children's education and care.

As noted in the Commission's draft report, prior to the NQF licensing and quality assurance arrangements for children's education and care services were ad hoc, inconsistent and at times duplicative depending on the regulatory jurisdiction and type of service. In some cases, services were not regulated at all.

The design of the NQF was informed by a vast body of research showing high quality education and care leads to improved cognitive, developmental and health outcomes for children. It is providing an

aspirational benchmark for the provision of high quality children's education and care across the country.

While the NQF strives to promote consistency in outcomes in the provision of children's education and care across service types and jurisdictions, ACECQA acknowledges the need to allow for flexibility in its application. ACECQA supports the consideration of measures recommended by the Commission to increase the flexibility of the system and promote streamlining, as long as resulting changes are not detrimental to quality.

ACECQA also strongly supports measures to make the system as efficient as possible, while again maintaining quality outcomes for children. ACECQA is working closely with all governments to explore further options for streamlining and increased flexibility through the 2014 Council of Australian Governments Review of the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care (2014 COAG Review).

ACECQA has addressed the Commission's draft recommendations and requests for information against four key themes:

- 1) Qualifications and ratios
- 2) The scope of the NQF
- 3) The National Quality Standard and quality assessment and rating
- 4) Regulatory burden

Thank you again for providing this opportunity for comment on the Commission's draft report. For any further information, please don't hesitate to contact me

Yours sincerely

**Karen Curtis**  
Chief Executive Officer

# Theme 1: Qualifications and Ratios

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## Qualification requirements for children aged birth to 36 months

ACECQA notes that the Commission considers that early childhood education and care ‘for children aged birth to three should focus on quality care and not be required to include a significant educational component’. This is the basis for the Commission’s draft recommendation 7.2, which proposes that:

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

In supporting retainment of the current qualifications requirements under the National Quality Framework (NQF) for children aged birth to 36 months, and in response to the Commission’s information request on the expected impacts on the development of children under 36 months if these recommendations were to be adopted, ACECQA offers the following commentary.

### ***The system is evidenced-based***

A fundamental feature of the NQF was the introduction of qualifications requirements to build a highly skilled workforce, ensuring educators are equipped to facilitate children’s learning and development. As the Commission is aware, requirements were informed by extensive research and consultation as part of the development of the NQF.<sup>1</sup> ACECQA again takes this opportunity to highlight that higher educator qualifications are strongly associated with improved child outcomes, as educators are better able to involve children, stimulate interactions, and use a range of strategies to extend and support their learning.<sup>2</sup>

While the evidence base has for some time predominantly concentrated on outcomes for preschool-aged children, ACECQA considers this is likely a greater reflection of the previous divide between education and care, rather than a conclusion about the impact of staff qualifications on outcomes for younger children. Education is an intrinsic component of high quality care for children, and staff qualifications have traditionally been tied to services providing educational programs. That indicators of high quality, such as staff qualifications, were often previously reserved for preschool programs means that preschool-aged children were best placed to benefit. It should be noted that references to education under the NQF, including for children aged three years and under, refer to educational programs that are appropriate for the child’s age. The Early Years Learning Framework, the national early learning framework used by educators working with children from birth to five years under the NQF, has a strong emphasis on play-based learning.

The NQF is an integrated system of education and care that moves beyond the historical and out dated care-education dichotomy and applies indicators of high quality, such as staff qualifications, to

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<sup>1</sup> Expert Advisory Panel on Quality Early Childhood Education and Care (2009) *Towards a national quality framework for early childhood education and care: Report of the Expert Advisory Panel on Quality Early Childhood Education and Care*.

<sup>2</sup> OECD (2012). *Starting strong III: A quality toolbox for early childhood education and care*. OECD Publishing.

# Theme 1: Qualifications and Ratios

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all service types and for children across the prior to school years. Given the NQF has now been in place for just over two and a half years, and with new qualification requirements being rolled out in a staged approach, it is too early to fully assess the impact of improved qualification requirements on outcomes for children aged birth to three under the NQF in Australia.

Increasingly, however, the available research is showing links between the impact of high quality education and care and positive outcomes for the youngest children accessing services. Recent research has found that high-quality early childhood settings for children aged birth to three have been shown to protect against behavioural problems and increase academic skills<sup>3</sup> and assist the formation of secure attachments<sup>4</sup>. A recent review of the research noted that it is difficult to adequately assess the impact of high qualifications given the low number of highly qualified professionals traditionally placed directly with babies and infants. However, the report concluded that a range of qualification levels is important for high quality care and better outcomes for this age cohort, including the average qualification level of the service staff and specialist training incorporating content on child development.<sup>5</sup> Research conducted in Canada also found the education level of staff working with infants and toddlers to be a significant direct predictor of quality.<sup>6</sup>

## ***Flexibility of the current system***

The implementation of the NQF is underpinned by a staged roll-out of higher qualification standards along with gradual implementation of improved educator-to-child ratios. It should be noted that the Education and Care Services National Regulations (the National Regulations) do not prescribe the qualifications required of educators for each age group across a centre-based early childhood service. This allows the flexible application of these requirements to best suit the service context and gives providers the discretion to decide which staff, at which qualification level, are best suited to working with each group of children across a service. Qualifications requirements under the NQF apply *across* each centre-based early childhood service, rather than for a specific age cohort. So currently, the system does not mandate that an ECT has to be directly working with children of a particular age group, including children under three years of age. Tying qualification levels to specific age groups would thus reduce flexibility for providers.

The Commission predicts that the introduction of lower qualifications requirements for educators working with children from birth to three will result in the emergence of specific, lower cost services targeted at children in this age group. ACECQA is concerned that this could lead to a two-tiered system based on a 'care-education divide', with lower quality care for children under three years of age. Further, qualified early childhood teachers are fundamental to creating the broader pedagogical

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<sup>3</sup> Mathers, S. et al (2014). Sound foundations: A review of the research evidence on quality of early childhood education and care for children under three. Implications for policy and practice. *The Sutton Trust and the Education Endowment Foundation*.

<sup>4</sup> Gialamas, A. et al (2014). Quality of Childcare Influences Children's Attentiveness and Emotional Regulation at School Entry. *The Journal of Paediatrics*.

<sup>5</sup> Mathers, S. et al (2014). Sound foundations: A review of the research evidence on quality of early childhood education and care for children under three. Implications for policy and practice. *The Sutton Trust and the Education Endowment Foundation*.

<sup>6</sup> Goelman, H et al (2006). Towards a predictive model of quality in Canadian child care centres. *Early Childhood Research Quarterly*.

# Theme 1: Qualifications and Ratios

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environment that facilitates healthy child development and staff professional development. This would be lost under the Commission's proposal.

The Commission may also wish to consider whether the benefit of further specialisation in the supply of education and care outweighs the cost to parents of finding new education and care as their child reaches three years of age, or in the case of parents with more than one child, the cost of transporting children of different ages to different services.

## **Consistency of qualifications requirements**

The Commission recommends that all jurisdictions adopt consistent staff qualifications for children under school age (recommendation 7.3).

ACECQA welcomes recommendations aimed at fostering a nationally consistent system. However, it would caution against changes that could reduce the quality of education and care provided. For example, inconsistent qualification requirements for children under school age reflect higher starting points for some jurisdictions prior to the introduction of the NQF. During the development phase, it was agreed that no jurisdiction would lower their existing standards for the sake of national consistency given the importance of qualifications in driving outcomes for children.

The Commission also addresses the consistency of staff qualifications and educator-to-child ratios for children in outside school hours and vacation care services, recommending the application of a nationally consistent set of requirements (recommendation 7.4).

ACECQA acknowledges that there is room for greater consistency of educator qualifications for school aged care services, especially through broader recognition of qualifications. Educator qualifications and ratios for school aged care services are being considered under the 2014 Council of Australian Governments Review of the National Partnership Agreement on the National Quality Agenda (COAG 2014 Review), and any decision will be a matter for governments. ACECQA will support the implementation of any changes that may arise as result of the Review process.

## **Determining qualifications for early childhood teachers and assessment of qualifications for equivalence**

The Commission's draft report recommends that ACECQA remove the requirement for early childhood teachers to have practical experience with children aged birth to two (recommendation 7.5), asserting that this will provide services with greater flexibility to meet staff requirements.

ACECQA does not support removing the requirement for early childhood teachers to have practical experience with children aged birth to two. ACECQA considers that its current qualifications requirements for early childhood teachers appropriately balance the need for flexibility while maintaining a high standard of qualifications under the NQF, and offers the following information to the Commission on this matter.

# Theme 1: Qualifications and Ratios

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## ***ACECQA's assessment of qualifications***

As the Commission is aware, under the National Law ACECQA determines the qualifications that need to be held by educators working in approved education and care services. This includes qualifications required by early childhood teachers under the NQF. ACECQA maintains lists of current and formerly approved qualifications on its website.

The ACECQA Board has determined that early childhood teacher qualifications should have an appropriate pedagogical focus and professional experience for children aged birth to five (or preferably birth to eight). To facilitate outcomes for all children regardless of age, it was deemed that all early childhood teachers should be appropriately equipped to meet the unique developmental and learning needs of younger children, including children aged birth to two. This is also necessary to inform educators' knowledge of children's development and to have the awareness and skills to identify and act early if issues are identified that could impact on a child's future development or learning outcomes<sup>7</sup>.

It should be noted that ACECQA's requirements for practical experience in working with children aged birth to two are applied flexibly. In recognising the importance of maximising the availability of a skilled workforce, ACECQA's approach provides opportunities for applicants to demonstrate their knowledge and experience.

For example, for applicants without birth to two professional experience, ACECQA recognises significant work experience with children aged birth to two or completion of non-award units through higher education institutions. ACECQA's approach recognises the historic differences in the age range covered by early childhood qualifications, as well as the increased need for early childhood teachers under the NQF. ACECQA contends that this approach to assessing birth to two years knowledge and experience is currently achieving the aim of balancing the need for greater flexibility to meet staffing requirements, while maintaining a high standard of qualifications required by educators under the NQF.

ACECQA has explored a number of options to ensure a flexible and pragmatic approach to assessing educators' qualifications for equivalence under the NQF. For example, ACECQA investigated the option of placing conditions or restrictions on approved qualifications, or on qualifications that have been submitted for assessment as equivalent, but did not quite meet the requirements. For example, where ACECQA identifies that an individual holds a qualification without birth to two content, the option explored involved ACECQA approving the qualification and limiting the holder to only working with children aged three years or over or until such time as the person completes additional study. However, such an option cannot be pursued within current legislative parameters. ACECQA has raised this issue for consideration by governments as part of the 2014 COAG Review.

Other measures ACECQA has put in place to help the sector transition to the qualification requirements under the NQF include:

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<sup>7</sup> Dalli, C et al (2011). *Quality early childhood education for under-two-year-olds: What should it look like? A literature review*. Ministry of Education, New Zealand.



# Theme 1: Qualifications and Ratios

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- in July 2013, the Board approved as a transitional measure the combination of primary school teacher qualification, teacher registration and an approved diploma or higher qualification as equivalent to an ECT qualification
- assessment of early childhood teacher, diploma level educator and certificate III level educator programs from overseas institutions to be added to the list of approved qualifications. To date, ACECQA has approved programs from New Zealand, Ireland and the United Kingdom
- an online self-assessment tool, that allows educators to check their qualification(s) against an approved list of qualifications and qualifications recognised under a previous education and care services law
- an integrated, online approved qualifications list, which allows users to search, sort and filter the list, and export the information as required
- an online application form for individuals wishing to have their qualification assessed.

## ***ACECQA's approval of international qualifications***

The Commission recommends that ACECQA explore options for simplifying the approval of international qualifications (recommendation 7.5).

The approval of international qualifications represents a significant component of ACECQA's overall qualifications workload. As at August 2014, almost a quarter (24%) of all individual applications received by ACECQA were from individuals with qualifications from the UK, followed by New Zealand (19%) and Ireland (16%). On average, it takes about 45 days from ACECQA receiving a complete application to ACECQA notifying an applicant of the outcome of their assessment. To date, ACECQA has received more than 3,200 individual applications from individuals with an international or Australian qualification, and approved roughly 900 ECTs, 700 diploma level educators and 400 certificate III level educators. As at August 2014, the approval rate for assessed applicants is 84%. Two years ago, the approval rate was 70%.

## ***Streamlining processes***

With increased knowledge and understanding of the high volume qualifications from the high volume countries, ACECQA has been able to target those qualifications most suitable for a comprehensive assessment (i.e. assessing the qualification itself, not an individual's specific circumstances) and has now approved and published these as part of its list of approved qualifications. This is a much more efficient process aimed at reducing obstacles to attracting appropriately qualified educators from overseas.

For example, the equivalent certificate III level qualification from New Zealand, and one of the most popular certificate III level qualifications from the UK, were both added to ACECQA's list of approved qualifications earlier this year. At diploma level, the equivalent diploma level qualification from New Zealand, and the most popular diploma level qualification from Ireland, have also both been added to ACECQA's list of approved qualifications. With more than 200 individuals with Irish qualifications having applied to ACECQA for diploma level equivalence, the publication of the latter qualification alone has made a significant difference to the recognition process for this cohort of potential educators. At degree level, in addition to the 45 ECT qualifications from higher education institutions

# Theme 1: Qualifications and Ratios

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in Australia approved and published by ACECQA, ACECQA has also approved and published four early childhood teacher qualifications from two different higher education institutions in New Zealand.

An individual who holds a qualification on ACECQA's published list of qualifications is automatically approved and recognised by ACECQA as an educator at the relevant level under the *Education and Care Services National Law* (the National Law) and the National Regulations (i.e. early childhood teacher; diploma level educator; certificate III level educator; outside school hours care educator). The process of identifying and reviewing potentially appropriate international qualifications for approval and publication is an ongoing initiative for ACECQA, with ACECQA continuing to actively engage with suitable international institutions and awarding bodies.

The National Regulations mandate the information requirements for an application to ACECQA for qualification assessment. Following ACECQA's proposed changes for consideration by governments regarding information requirements for qualifications applicants, the National Regulations were amended on 1 September 2013 so that ACECQA can require evidence of levelling in exceptional circumstances, but does not require this as part of a typical application. This meant removing the pre-requisite that individual applicants with international qualifications collect evidence of the 'levelling' of their qualification from a limited number of approved organisations. This was a very burdensome aspect of the application process for applicants, adding significant cost and time.

## ***Ongoing collaboration to resolve issues***

ACECQA works closely with individual institutions to find practical solutions to resolve issues as they arise. ACECQA notes submission 444 from the French Australian Preschool cited by the Commission, which asserted that it was unable to get qualifications approved for international staff because French universities are not set up to provide detailed academic transcripts, and their teachers did not have the required formal evidence of English language proficiency. ACECQA is working with the French Australian Preschool to find an appropriate solution that balances the recognition of French qualifications with Australian early childhood teacher requirements with the application of fair and equitable guidelines and requirements for all overseas applicants. It should also be noted that in lieu of original documentation, ACECQA does accept statutory declarations in certain circumstances.

In terms of ACECQA's English language requirements for overseas applicants more generally, ACECQA has aligned its requirements with the Australian Institute for Teaching and School Leadership (AITSL) and the Australasian Teacher Regulatory Authorities (ATRA), and also offers alternative ways for applicants to prove their proficiency in English, while reserving the right to require evidence of a formal test.

## **Increasing streamlining through coordination with AITSL and ATRA**

ACECQA has been working closely with AITSL and ATRA to streamline the process for higher education institutions' early childhood qualifications to be accredited and approved. Accreditation by ATRA is based on the AITSL published Standards and Procedures 2011 and the Australian Professional Standards for Teachers, and approval of qualifications by ACECQA is based on ACECQA's published guidelines. The two processes have many similarities, and all three organisations are working closely to identify differences and collaborate where possible. As at August 2014, ACECQA

# Theme 1: Qualifications and Ratios

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had assessed and approved 45 ECT qualifications from 24 different higher education institutions in Australia.

ACECQA also continues to work with AITSL and ATRA in the sphere of skilled migration, attempting to align processes and requirements where possible.

## Theme 2: The Scope of the NQF

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ACECQA notes that the Commission has considered the potential for extending the scope of the NQF to apply to additional services and service types that are not currently in scope of the national system (draft recommendations 7.8 and 8.5), including Budget Based Funded (BBF) services and nanny services.

### **Budget Based Funded services and the NQF**

ACECQA concurs with the Commission's contention that expanding the scope of the NQF to include additional service types, such as BBF services funded through Commonwealth subsidies, can ensure a common benchmark for quality for children attending comparable education and care services.

Research shows that disadvantaged children benefit most from high quality education and care<sup>8</sup>. Many BBF services are located in remote communities and provide education and care for Aboriginal and Torres Strait Islander children. The inclusion of these services in the NQF, coupled with appropriate support to meet the requirements of the Framework, has the potential to realise positive developmental outcomes for children identified as developmentally vulnerable by the Australian Early Development Index (AEDI). As discussed in the Commission's draft report, Indigenous children are nearly twice as likely to be identified as developmentally vulnerable compared to non-Indigenous children and children living in remote communities are significantly more likely to be identified as vulnerable compared to children living in major cities.

Broadening the scope of the NQF to include additional service types can make the benefits of attending an education and care service more equitable for children, and in some communities, increase the number of high quality education and care options available to families. It will also allow parents to make more informed choices about children's education and care options through the publication of quality ratings information that will be comparable across more services and service types. ACECQA also contends that the NQF, including the quality assessment and rating system, is sufficiently flexible to be adapted to extend to these other types of services.

### **Approved nannies and the NQF**

Should any recommendation to include nanny services as an approved service type be adopted, ACECQA considers that the regulatory response could, for example, involve nannies being registered with, and supported by, a central coordination unit that provides oversight and leadership. The role of the coordination unit and educational leader would be pivotal to support quality across the service and regulatory compliance by the service and individual nannies. Any regulatory options for nanny services would need to carefully consider the unique attributes of service delivery within a parent or carer's own home.

### **Preschools and the NQF**

While the Commission suggests that the national system be applied to additional services and service types, it also recommends that dedicated preschools be removed from the scope of the NQF and instead be regulated by state and territory education legislation (draft recommendation 7.9).

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<sup>8</sup> Sylva, K. et al (2004). *Effective Provision of Pre-school Education: Final Report*. London: Institute of Education.

## Theme 2: The Scope of the NQF

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ACECQA supports removing regulatory duplication and streamlining regulation where it does not conflict with the fundamental objectives of the NQF. However, removing preschool from the NQF could undermine the integration of education and care, which is a feature of the current system.

Research supports the integration of education and care in promoting developmental outcomes for all children<sup>9</sup>. The NQF ensures that all children attending an approved service have access to an educational program delivered by appropriately qualified staff. This is the case regardless of the age of the child or the type of service.

At its most basic, the regulation of education and care under the NQF is to enable children to realise the education and care benefits that are attributed to quality services while being protected from harms. For children three to five years of age, these realisable benefits and preventable harms are the same, regardless of whether they attend a preschool or non-preschool service. It follows that regulatory standards should be shared as far as practical across service types. This approach provides comparable benefits to children, and makes access and choice simpler for parents / carers.

The integration of education and care across all service types promotes choice as parents / carers are assured that their child will have access to a quality education program regardless of service type. Services under the NQF deliver educational programs that are age appropriate, and specific programs targeted to children in their year prior to school are offered across service types. For example, preschools, long day care and family day care services share regulatory requirements to deliver age appropriate programs based on the nationally agreed Early Years Learning Framework.

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<sup>9</sup> Elliott, A. (2006a). *Early Childhood education: Pathways to quality and equity for all children*. Camberwell, Victoria: ACER Press.

# Theme 3: The National Quality Standard and Assessment and Rating

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## Assessment and rating progress and the National Quality Standard

ACECQA notes the Commission's concern about the pace of assessment and rating across all jurisdictions leading up to the mid-2015 target of all services being assessed and rated at least once, as well as concerns about the complexity of the National Quality Standard (NQS). ACECQA offers the following commentary in response to the Commission's draft recommendations:

- 7.6: that governments and ACECQA urgently reconsider the design of the system to increase the pace of assessments; and
- 7.1: that governments and ACECQA simplify the NQS through identifying standards or elements that can be removed (while maintaining outcomes for children), and tailor the NQS to suit different service types.

### *Pace of quality assessment and rating*

It has been, and continues to remain, a high priority for ACECQA to support jurisdictions to improve the pace of assessment and rating. ACECQA has worked with jurisdictions to streamline the assessment and rating process in the short term, with a series of actions agreed to by all Ministers with responsibility for children's education and care, through the Education Council, in April 2014. These actions, which were rolled out in the first half of 2014, include shorter and more flexible scheduling, clarifying expectations to providers around the assessment and rating process, and providing additional support through the provision of resources and templates and targeted authorised officer training.

ACECQA supports the Commission's recommendation about seeking efficiencies to increase the pace of quality assessment and rating and to look at ways to simplify the NQS, without reducing its effect on quality outcomes for children. ACECQA also concurs with the Commission's view that longer term strategies may be required to result in an increased pace of assessments.

ACECQA is continuing to work with jurisdictions to identify options to further streamline the assessment and rating process through the 2014 COAG Review, including through a review of the NQS and rating levels. This part of the review will include consideration of the structural assessment and rating issues raised in the Commission's draft report.

ACECQA notes that any agreement on changes to the design of the assessment and rating system, or the NQS, including 'tailoring' of the NQS to suit different service types, will ultimately be a matter for governments. However, ACECQA strongly concurs that any changes should maintain or improve quality outcomes for children, while being mindful of the risk of reform fatigue for the sector.

### *Quality rating levels*

ACECQA notes that the Commission has proposed additional changes to the quality assessment and rating system under the NQF to explore ways to determine services' ratings so they are more reflective of overall quality, and to abolish the 'Excellent' rating, so that 'Exceeding National Quality Standard' is the highest achievable rating (draft recommendation 7.6).

## Theme 3: The National Quality Standard and Assessment and Rating

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The 2014 COAG Review is examining whether the current assessment and rating system is reflective of overall service quality, as well as reviewing the effectiveness of all quality rating levels under the NQF. Again, ACECQA notes that any agreement on changes to the quality assessment and rating system is a matter for governments.

With regard to the Excellent rating, ACECQA is aware that some sector feedback indicating discontent about the rating reflects a view that all approved services should receive an initial quality rating before services can apply to ACECQA for the Excellent rating. In light of this, it should be noted that if adopted, any changes to the current system requiring amendments to the National Law or National Regulations would likely not come into effect until 2016, by which time most services will be assessed and rated.

Some sector feedback has also identified that the application fee discourages services from applying for the Excellent rating. ACECQA notes that the application fee is prescribed in the National Regulations, and any amendment to the fee is a matter for governments.

ACECQA does assert that the Excellent rating recognises services that are leaders in the sector and aims to drive sector wide quality improvement and promote the aspirational features of the NQF. Recognition of excellence is a feature of many quality systems and complements the NQF goal of promoting quality improvement. Removing the Excellent rating may reduce this incentive and could be viewed as a signal to children's education and care services that an aspirational quality benchmark to strive towards has been downgraded.

### Consistency

ACECQA acknowledges sector concerns about the consistency of assessment and rating within and between jurisdictions. In keeping with good regulatory practice, ACECQA's approach to consistency is to focus on consistent *outcomes* rather than consistent *process*. While consistent process can support efficiency, such as in the case of the national IT system, in other areas an over emphasis on process can compromise outcomes. This approach has guided ACECQA in its consistency functions.

ACECQA works closely with jurisdictions to monitor and promote national consistency through regular audits of jurisdictional practice, publication of additional guidance for regulatory authorities and the sector and the implementation of measures to improve data collection and quality.

ACECQA notes the Commission's view that outcomes based requirements, while beneficial overall, present challenges to consistency. This has also been indicated through ACECQA's regulatory burden research, which highlighted a lack of understanding and/or misconceptions about broadly defined administrative requirements under the NQF. By improving the level of knowledge and understanding in the sector, ACECQA and regulatory authorities are working to improve national consistency, as well as to address perceptions of inconsistency, and to reduce the time required to administer the NQF.

## Theme 3: The National Quality Standard and Assessment and Rating

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ACECQA contends that national consistency, while very important, should not be viewed as an end in itself, but rather in the wider context of the goals of the NQF, in particular improved quality outcomes for children and families.

ACECQA also notes the view of the Commission that inconsistencies may have been exacerbated by NQF governance arrangements and inconsistent legislative requirements through a range of savings and transitional provisions. These matters are currently being examined through the 2014 COAG Review.



# Theme 4: Regulatory Burden

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## Overall administrative burden

One goal of the NQF was to reduce unnecessary compliance burden on children’s education and care services through a jointly-governed system of regulation, replacing overlapping regulatory activities by Australian, state and territory governments.

ACECQA is strongly committed to reducing regulatory burden under the NQF where this does not impact on service quality improvement for children.

### **Conclusions about documentation and overall burden**

In its draft report, the Commission asserts that while administrative burden is likely to reduce over time as the sector adapts to the NQF, “it seems unlikely that the total burden will become less than it was prior to the NQF’s implementation”. The Commission contends that this is because “previous administrative requirements (such as completing workplace health and safety related forms) have generally remained unchanged, whereas increased documentation associated with educational programming is a new requirement for most services”.

In response to this finding, ACECQA considers it important to note that under the previous system administered by the National Childcare Accreditation Council (NCAC), most providers were required to provide high levels of documentation for quality assurance, including for educational programming.<sup>10</sup> Maintenance of records of children’s learning and wellbeing was one of the ‘principles’ of planning and evaluation under the NCAC Quality Improvement Accreditation System (QIAS).<sup>11</sup> Quality improvement planning (‘self-study reports’) was also an integral feature under this system.<sup>12</sup>

Documentation associated with educational programming and QIPs are therefore not new requirements for most services, but existed for most services (with the exception of outside school hours care (OSHC) services in some jurisdictions). Research shows these requirements are essential components of professional practice.

ACECQA considers it is too soon to make a full assessment of the level of ongoing administrative burden (as opposed to transitional burden or one-off costs) of the NQF, as the sector is still transitioning to the new system. ACECQA also notes that the NQF will not be fully implemented until final savings provisions cease to apply on 1 January 2020.

### **ACECQA’s administrative burden research**

Findings from ACECQA’s 2013 perception survey on ‘overall burden’ relate to administrative burden since the introduction of the NQF in January 2012 (and from August of that year in Western Australia), rather than against previous regulatory systems.<sup>13</sup> Other than through specific survey questions on the topic, quantitative comparisons between the level of administrative burden under former regulatory systems and the NQF cannot be drawn because there is no data on the level of

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<sup>10</sup> ACECQA (2013). *Report on the National Quality Framework & Regulatory Burden*, Part II pg. 17.

<sup>11</sup> Rowe, K. et al (2006). *Key features of the Quality Improvement Accreditation System (QIAS) Administered by the National Childcare Accreditation Council (Australia)*.

<sup>12</sup> Commonwealth of Australia (2013). *Child Care Quality Assurance Accreditation Status*.

<sup>13</sup> ACECQA (2013). *Report on the National Quality Framework & Regulatory Burden*, Part I pp 10-11.

## Theme 4: Regulatory Burden

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administrative burden before the commencement of the NQF. ACECQA's 2013 research findings suggest that a decrease in administrative burden relative to the benchmark 2013 data, perceived and experienced, could be observed over the later stages of the longitudinal study. The first wave of 2013 research will serve as a benchmark for future waves of the survey.

### **Reducing administrative burden**

#### ***Setting clearer expectations and improving communication about administrative requirements***

As noted in the Commission's draft report, the outcomes based requirements of the NQF, while beneficial overall and more flexible for providers compared to previous systems, can cause difficulties for the sector and regulatory authorities due to their subjectivity.

ACECQA's research indicates that the more prescriptive ('check list') approach of previous systems, notably the NCAC system, has exacerbated this.<sup>14</sup> Consultation with regulatory authorities suggests that because these providers were used to heavy documentation requirements, they may be more inclined to assume that a similar amount of documentation is required under the NQF.<sup>15</sup>

ACECQA offers the following information in response to the Commission's draft recommendation 7.7 (b) that more detailed and targeted guidance be made available to providers on requirements associated with QIPs, educational programming, establishing compliant policies and procedures and applying for waivers.

ACECQA agrees that administrative requirements should remain flexible and outcomes based, and that more detailed sector guidance and examples can be provided to help prevent services from 'overburdening' themselves in efforts to ensure compliance. ACECQA offers information to the Commission about past, current and future initiatives to provide further clarity about expectations and improve communication about administrative requirements.

ACECQA aims to ensure the sector has access to information about the NQF and relevant tools for reflection on quality of practices, and to provide clarity on administrative requirements. ACECQA has more than 200 resources in its NQF Library on the Authority's website. This library is an important information source for the sector, particularly service providers wanting to ensure they are fulfilling their obligations under the NQF, and to support continuous quality improvement. ACECQA regularly reviews and updates the library, which contains resources such as the NQF Resource Kit, assessment and ratings guides, NQF quarterly snapshots, the operational policy manual for regulatory authorities, learning frameworks, information sheets, templates, posters and newsletters. ACECQA and all governments have also worked in collaboration with the Professional Support Coordinators (PSC) to produce guidance, training and support for the sector and regulatory authorities to clarify certain administrative requirements, including documentation and the QIP process. For example, sample policies and procedures are available from the PSC websites.

ACECQA's National Education Leader (NEL) provides national leadership and offers advice and information on pedagogy and educational program and practice to enhance learning and

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<sup>14</sup> ACECQA (2013). *Report on the National Quality Framework & Regulatory Burden*, Part II p 17.

<sup>15</sup> *Ibid.*

## Theme 4: Regulatory Burden

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development of children attending education and care services across Australia. The NEL's priority work on assisting the sector better understand and meet requirements of the NQF includes:

- providing guidance on the requirements for documentation and quality improvement planning and clarifying myths about administrative burden relating to these requirements
- supporting services to meet Quality Area 1 (Educational Program and Practice) Standards 1.1 and 1.2 and Quality Area 3 (Physical Environment) Standard 3.3
- dispelling myths and exploring the potential of the NEL role to support educators to document children's programs and learning and feel confident about assessment and rating processes
- working with relevant organisations such as the PSCs to build the cultural competence of educators
- supporting services to meet the NQS, including through targeting Quality Areas most likely to be rated as Working Towards the NQS.

In collaboration with each state and territory regulatory authority, ACECQA is leading a series of seminars in 2014-15 in each jurisdiction focussed on educational program and practice. The seminars will include practical tips and examples, as well as the opportunity for participants to workshop ideas and take them back to their services to implement.

### ***Volume of administrative requirements***

ACECQA considers it feasible to reduce the number of administrative requirements that are burdensome with little or no benefit to children and families, duplicative or of diminishing value at higher levels of quality. Again, it is important to highlight that such unnecessary burden must be distinguished from reasonable requirements of sound professional practice that provide a net benefit to children.

ACECQA is working with jurisdictions to undertake a review of administrative requirements as part of the broader 2014 COAG Review. The Review includes an examination of the following requirements / issues identified by the Commission:

- requirement for certified supervisor certificates (recommendation 7.7(a))
- potential overlaps between the NQF and state and local government requirements (recommendations 7.7(c)-(d) (i) and 7.11).

The Commission recommends removing the requirement for outside school hours care services operating on school facilities to provide site plans in an application for service approval (recommendation 7.7(d) (ii)). It should be noted that governments identified and resolved this issue through an amendment to the National Regulations that came into effect on 1 September 2013. This amendment made it easier for providers to apply for a service approval if they are seeking to establish a centre-based service on a school site. Regulatory authorities now have discretion to

## Theme 4: Regulatory Burden

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accept an application for service approval without certain information about the proposed new premises, including plans prepared by a building practitioner<sup>16</sup>.

Duplication with other non-NQF requirements is being considered through the 2014 COAG Review. ACECQA will support any work that can address duplication between NQF and non-NQF requirements, as appropriate.

### ***Other methods of reducing administrative burden***

Other measures that ACECQA has taken to reduce administrative burden are noted in ACECQA's original submission to the Commission. Further initiatives include:

- working with jurisdictions to identify opportunities to simplify the NQS (discussed under assessment and rating)
- enhancing the National Quality Agenda IT System by removing regulatory inconsistencies across jurisdictional borders and creating a more efficient, cohesive and streamlined environment for business activity. This includes improving online application forms for providers and removing over 450 unnecessary or duplicate fields.

### **Other matters**

ACECQA offers the following commentary on other matters raised in the Commission's draft report.

#### ***Nationally consistent approach to jurisdiction based working with children checks***

ACECQA strongly supports draft Recommendation 7.10, which calls for harmonising background checks for educators and volunteers by either:

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

#### ***Data linkages***

ACECQA strongly supports improved data linkages that would provide valuable information on child outcomes and facilitate intelligence-driven policy creation, subject to appropriate data protection methods (draft recommendation 13.2). Such a network of data could inform future longitudinal research on the impacts of the NQF, including the effect of improved educator-to-child ratios and qualification requirements on child outcomes.

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<sup>16</sup> Education and Care Services National Regulations, Regulation 25(2)