



Australian Children's
Education & Care
Quality Authority

National Partnership Annual Performance Report

National Quality Agenda

December 2017

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Foreword from the ACECQA Chair

On behalf of ACECQA, and in line with the National Partnership on the National Quality Agenda for Early Childhood Education and Care (NP NQA), I am very pleased to present this inaugural Annual Performance Report, the first of two reports to be produced under the current NP NQA.

Investment in quality education and care lays the foundation for children's learning and development, and enables long term societal and economic gains. Regulating for quality under the National Quality Framework (NQF) supports these outcomes and provides accountability for the investments made by all Australian governments.

This inaugural Annual Performance Report on the NP NQA represents a significant milestone in realising the Council of Australian Governments' (COAG's) National Early Childhood Development Strategy – Investing in the Early Years.

Endorsed in 2009, the long term Strategy aims to improve outcomes for all children by building a better early childhood development system that responds to the needs of young children, in particular vulnerable children and their families.

Through the Strategy, all governments signalled their collective vision that, by 2020, all children would have the best start in life to create a better future for themselves and for the nation.

The first NP NQA was agreed in 2009 by all governments as an essential reform to realise COAG's vision. The NP NQA recognised that there are substantial benefits and efficiencies in creating and supporting a unified NQF for children's education and care services.

Formally commencing in 2012, the NQF set a national benchmark for the quality of education and care services and promotes continuous quality improvement, while streamlining the previous eight different state

and territory licensing schemes and a national child care quality assurance system.

In line with the current NP NQA (2015-16 to 2017-18) and ACECQA's Ministerial Letter of Expectation for 2016-18, this NQF Annual Performance Report, builds on previous reports by ACECQA to governments since 2012 against five performance indicators under a Multilateral Implementation Plan.

I believe this Report is a reflection of where we are in the evolution of such fundamental reforms, and there is still more to do.

The recent changes to the Education and Care Services National Law and Regulations seek to address some issues referred to in the Report, for example measures to improve quality in family day care service provision. The Report also has implications for governments and ACECQA about the need for more effective communication with families and the Australian public about the importance of high quality education and care, and the difference it can make in optimising children's learning and development.

Encouragingly, the Report provides a range of indicators that suggest the NQF is realising a number of its intended benefits, including continuous quality improvement in service provision and efficiencies in regulation. It is also pleasing – but not surprising – to see continued widespread support for the NQF from providers of education and care services.

I look forward to presenting the second performance report in late 2018, which will provide an update on progress during 2017-18.

Judy Hebblethwaite
ACECQA Chair

Overview of the education and care sector

As at 30 June 2017:

- more than 15,500 education and care services were approved to operate under the National Quality Framework (NQF), including:
 - 7166 long day care services (46% of approved services)
 - 4370 outside school hours care services (28%)
 - 3118 preschools/kindergartens (20%)
 - 885 family day care services (6%).
- more than 7000 providers were approved to operate education and care services, with 83% of these approved to operate a single education and care service
- the 10 largest providers in the country each operate more than 100 education and care services, for a combined total of more than 3000 services
- ‘Private for profit’ providers operate three quarters of approved family day care services, almost two thirds of approved long day care services and almost half of approved outside school hours care services
- half of approved preschools/kindergartens are operated by ‘Private not for profit community managed’ providers, with approaching a quarter being ‘State/Territory and Local Government managed’
- more than 14,000 education and care services had a published quality rating against the National Quality Standard, of which more than 10,000 (73% of quality rated services) met all 58 elements of quality.

It is estimated that there are more than 200,000 staff employed in education and care services, with around 900,000 families accessing education and care services for around 1.3 million children, of which approximately:

- 700,000 children attend long day care services
- 400,000 children attend outside school hours care services
- 200,000 children attend family day care services.¹

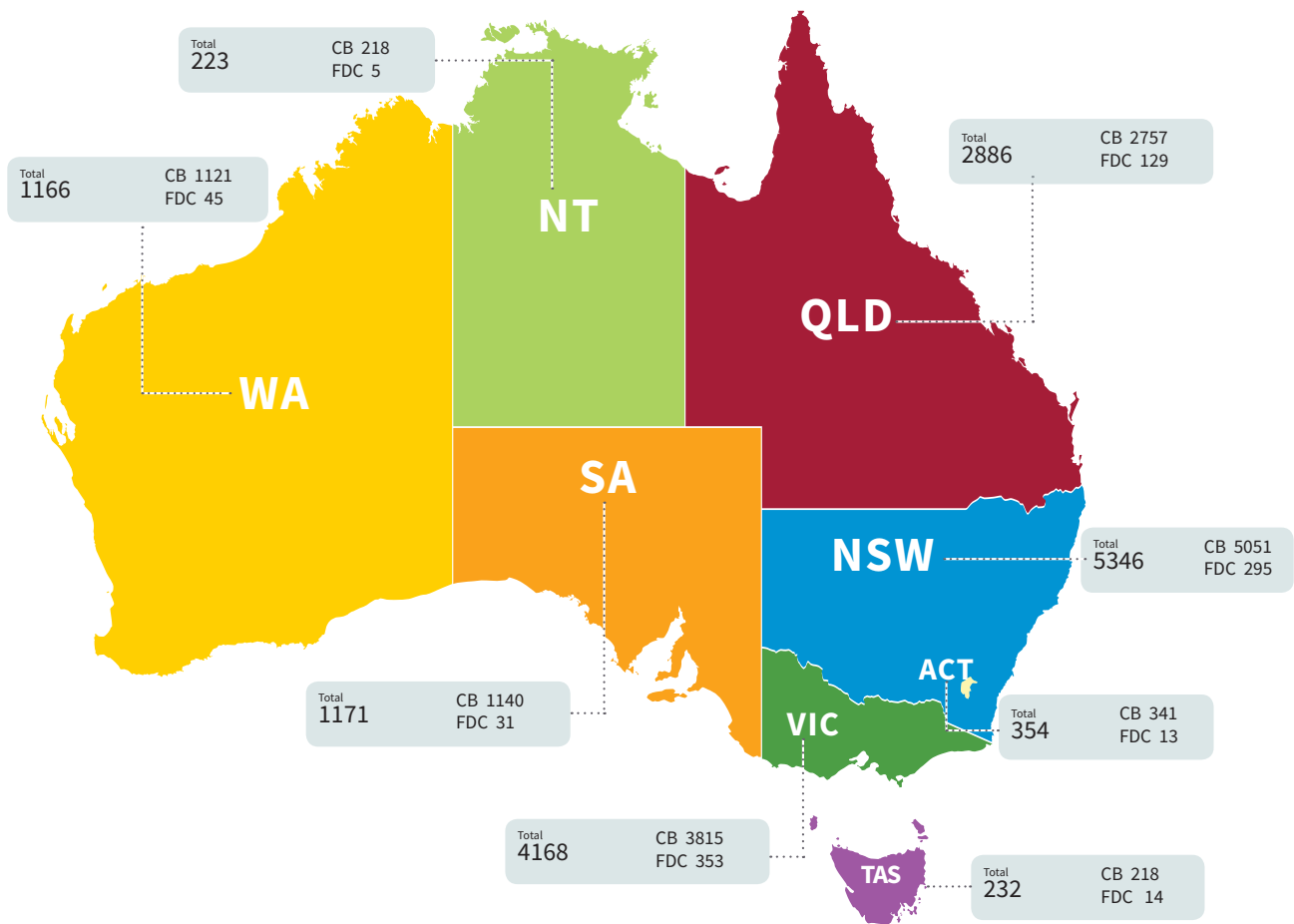
On average, children attend long day care and family day care services for around 30 hours per week, while children attend outside school hours care services for around 12 hours per week.

Collectively, preschools/kindergartens, long day care services and outside school hours care services are referred to as centre-based care services. In total, there were 14,661 NQF-approved centre-based services as at 30 June 2017.

Preschools in Tasmania, and most preschools in Western Australia, are outside of the scope of the NQF, as are other types of services nationally, such as occasional care services and Budget Based Funded services.

1. Data on the education and care sector has been drawn from the National Quality Agenda IT System (NQA ITS) and the [Early Childhood and Child Care in Summary](#), December quarter 2016.

Sector profile



Total Centre-based (CB)
14 661 (94%)

Total Family day care (FDC)
885 (6%)

Total
15 546

Provider management type	Number of services	Proportion of services
Private for profit	7243	46.6%
Private not for profit community managed	3748	24.1%
Private not for profit other organisations	1882	12.1%
State/Territory and Local Government managed	1299	8.4%
State/Territory government schools	725	4.7%
Independent schools	459	3.0%
Catholic schools	175	1.1%
Not stated/Other	15	0.1%

Executive summary

The National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-2016 to 2017-2018 (the NP NQA) commits the Commonwealth and the States and Territories to maintaining a focus on the early years to ensure children's wellbeing and to deliver the vision of the Early Childhood Development Strategy endorsed by the Council of Australian Governments (COAG) in July 2009.

The NP NQA acknowledges the mutual interest and common goal of the Commonwealth, States and Territories in improving children's educational and developmental outcomes. Along with the investment of public funds to improve access to early education and care for all children, the regulation and quality assessment of Australia's more than 15,000 education and care services under the National Quality Framework (NQF) is an important strategy in realising this goal and safeguarding that investment.

This inaugural Annual Performance Report is the first of two reports to be published under the current NP NQA. The objectives and outcomes of the NP NQA have been arranged into the following eight chapters:

1. Safety, health and wellbeing of children attending education and care services
2. Educational and developmental outcomes for children
3. Social inclusion and children from vulnerable and disadvantaged backgrounds
4. Families' and general public knowledge and access to information about education and care service quality
5. Efficiency and cost effectiveness of the regulation of education and care services
6. Regulatory burden for education and care service providers
7. Skilled education and care workforce
8. Governance.

The report provides an analysis of achievements and performance trends for each objective and outcome by drawing upon information from each jurisdiction and a range of data sources, including the National Quality Agenda IT System, Australian Early Development Census, National Early Childhood Education and Care Workforce Census, families research undertaken by the Australian Government and ACECQA, and regulatory burden research undertaken by ACECQA.

Each of the eight chapters is summarised in more detail below, but it is important to note the following key findings:

- The proportion of services meeting or exceeding the National Quality Standard (NQS) has increased over time, at both the overall quality rating level and for each of the seven quality areas that make up the NQS. Furthermore, around 60% of services improve their overall quality rating at reassessment, indicating that continuous quality improvement is occurring.
- The NQS and the quality rating system is not yet well understood by most families. Access to information about location, reputation, cost and the general 'feel' of a service remains important to them but, to be more informed consumers, families also need to be aware of the quality rating system and what it means in terms of individual service quality. The quality rating assessment against the NQS is an integral part of making information transparent and publicly available.
- Education and care service providers across Australia have demonstrated a commitment to continuous quality improvement, with the NQF continuing to be highly regarded by providers. A single legislative system has replaced separate state/territory and national requirements and reduced administrative burden.

- With more than 14,000 education and care services having a publicly available quality rating, it is apparent that the NQS is achievable for all types of service in all geographic and socio-economic areas.
- A number of the chapters of this report highlight the relatively poor and deteriorating performance of the family day care sector against the NQS. It is important to stress that this does not mean that all family day care services perform poorly. It should also be noted that Education Council Ministers have previously committed to a range of strategies, which all governments and ACECQA are implementing, to support family day care as a high-quality, robust and valuable education and care option for Australian families.

1. Safety, health and wellbeing of children attending education and care services

The NP NQA and the NQF recognise and support children’s safety, health and wellbeing as the foundation for their social, emotional, physical and cognitive development.

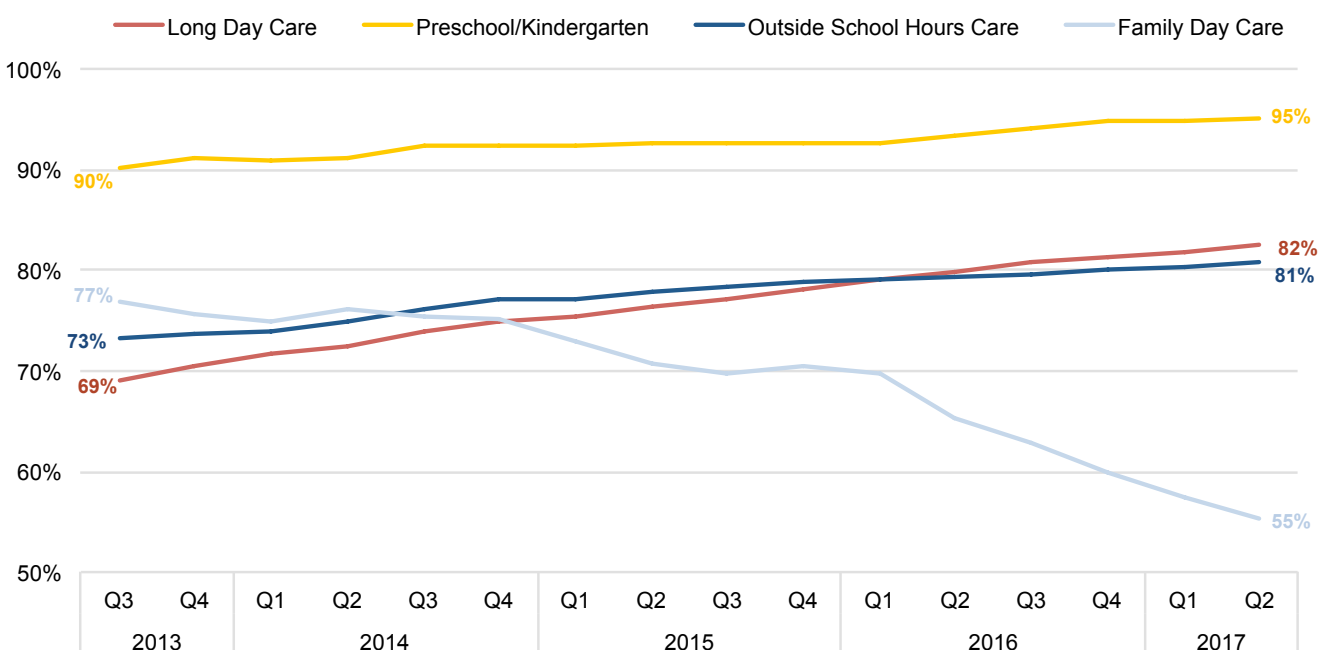
The NQF aims to ensure children’s safety, health and wellbeing when attending services through a number of methods, including through explicit requirements and penalties within the National Law and Regulations, as well as through the quality assessment and rating of services against the NQS.

Quality Area 2 of the NQS encompasses three standards that address the health and safety of children attending education and care services:

- Each child’s health is promoted
- Healthy eating and physical activity are embedded in the program for children
- Each child is protected.

The proportion of services rated Meeting NQS or above for Quality Area 2 has increased for all service types over time, except for the family day care sector (see **Figure 1**).

Figure 1: Proportion of services rated Meeting NQS or above for Quality Area 2, by service type



Through its comprehensive reporting requirements and focus on continuous quality improvement, the NQF encourages a positive culture of reporting and learning from incidents and breaches.

Serious incidents and confirmed breaches data may provide proxy indicators of children's safety, health and wellbeing while attending education and care services. Under the NQF, providers are required to notify state and territory regulatory authorities of serious incidents that occur at their services.

Almost 85% of all serious incidents reported during 2016/17 involved injury, trauma or illness to a child or children.

It is important to note the challenges associated with establishing robust and meaningful baselines and benchmarks for analysing trends and differences in these data. It is also important to consider the data in the context of the number of children attending education and care services (for example, more than 700,000 children attend long day care services).

A 'confirmed breach' is when a regulatory authority finds that a provider, nominated supervisor or family day care educator has failed to abide by relevant legislation, regulations or conditions at an NQF approved service. Not all confirmed breaches represent a risk to children's health, safety or wellbeing, and the degree of risk varies in individual situations.

The most frequently breached section of the National Law in 2016/17 related to the protection of children from harm and hazards, while the most frequently breached national regulation related to premises, furniture and equipment being safe, clean and in good repair.

Approaching half (43%) of all services reported one or more serious incidents in the 2016/17 financial year, while approaching a quarter (21%) had one or more confirmed breaches of the requirements of the National Law and Regulations. Family day care services had the highest rate of confirmed breaches in the 2016/17 financial year.

2. Educational and developmental outcomes for children

An important outcome of the NP NQA is to ensure children attending education and care services are engaged in and benefiting from educational opportunities, and that they have the knowledge and skills for life, learning and school readiness.

There is strong evidence that quality education and care makes a significant difference in enriching children's language development, building their executive functions and improving their future cognitive, educational, physical, social and emotional outcomes. The correlation between well qualified early childhood teachers and educators and these outcomes is well established.

Quality Area 1 of the NQS provides a detailed assessment of a service's educational program and practice, encompassing two standards that have a total of nine underpinning elements of quality:

- An approved learning framework informs the development of a curriculum that enhances each child's learning and development
- Educators and co-ordinators are focused, active and reflective in designing and delivering the program for each child.

Quality Area 1 has consistently been the most challenging of the seven quality areas for services to meet. The proportion of services rated Meeting NQS or above for Quality Area 1 has increased for all service types over time, except for family day care services.

State and territory regulatory authorities have undertaken almost 2500 quality rating reassessments, with most of these being for services previously rated at Working Towards NQS.

More than two thirds of services previously rated at Working Towards NQS improved their overall quality rating at reassessment (see **Table 1**). This would suggest that the continuous quality improvement envisioned as part of the NQF is occurring.

Table 1: Reassessments by overall quality rating

		Rating after reassessment				Total
		Significant Improvement Required	Working Towards NQS	Meeting NQS	Exceeding NQS	
Rating before reassessment	Significant Improvement Required	9	24	6	0	39
	Working Towards NQS	5	553	908	341	1807
	Meeting NQS	0	96	211	143	450
	Exceeding NQS	0	19	25	79	123
Total		14	692	1150	563	2419
		Rating after reassessment				Improvement rate
		Significant Improvement Required	Working Towards NQS	Meeting NQS	Exceeding NQS	
Rating before reassessment	Significant Improvement Required	23%	62%	15%	-	77%
	Working Towards NQS	-	31%	50%	19%	69%
	Meeting NQS	-	21%	47%	32%	32%
	Exceeding NQS	-	15%	20%	64%	-

3. Social inclusion and children from vulnerable and disadvantaged backgrounds

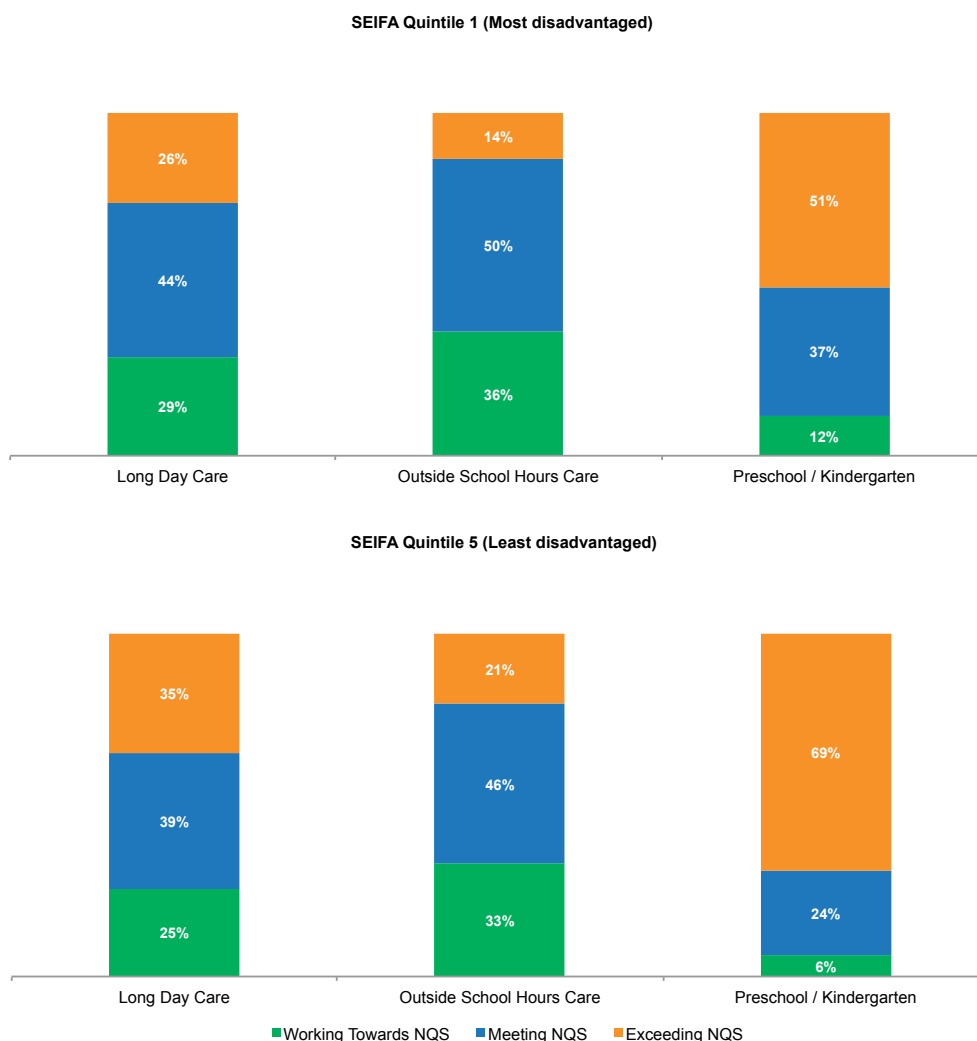
Another important outcome of the NP NQA is to ensure children are benefiting from better social inclusion and their vulnerabilities or circumstance of disadvantage are reduced through greater access to quality education and care.

According to the Australian Early Development Census, children from the most disadvantaged backgrounds are more likely to be developmentally vulnerable than children from less disadvantaged backgrounds. There is strong evidence that children from disadvantaged backgrounds receive the greatest benefits from attending high quality education and care.

A slightly smaller proportion of services in the most disadvantaged areas of Australia are rated Meeting NQS or above compared to services in the least disadvantaged areas. Furthermore, a greater proportion of services in the least disadvantaged areas are rated Exceeding NQS compared to services in the most disadvantaged areas (see **Figure 2**).

There is a wide range of Commonwealth, state and territory initiatives aimed at supporting access to education and care services for children from vulnerable and disadvantaged backgrounds. There have also been recent efforts to provide a more holistic analysis of vulnerability and disadvantage by examining data linkages and endeavouring to combine disparate data sets, each of which are relevant to the educational and developmental journey of children.

Figure 2: Overall quality ratings of centre-based services by SEIFA quintiles 1 and 5 and service type, as at 30 June 2017



4. Families’ and general public knowledge and access to information about education and care service quality

The NQF aims to improve public knowledge and access to information about the quality of education and care services. To be more informed consumers, families should have access to relevant information to help them choose the best service for their child and to understand the quality of that service.

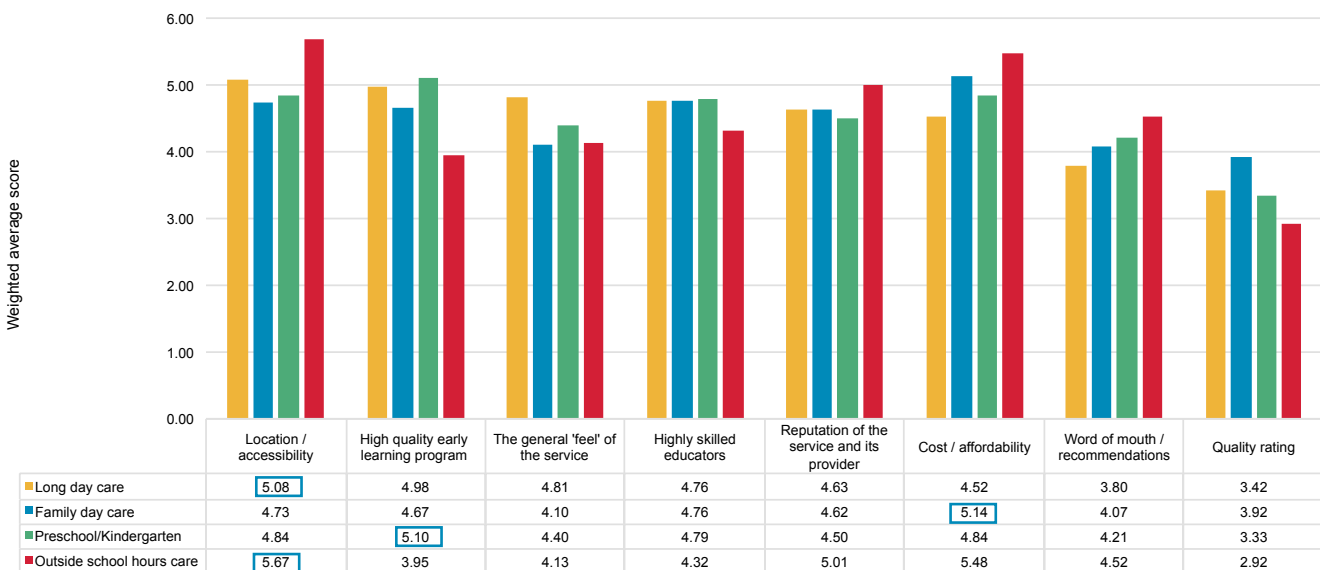
Two pieces of research conducted in 2014 by the Australian Government and ACECQA suggested that there was limited awareness of the NQF among families.

ACECQA conducted further families research in 2017 which suggested there was still only a moderate level of awareness of the quality rating system. Higher levels of awareness were seen in families who are using one or more education and care services, while lower levels of awareness were seen in families using outside school hours care services.

The ‘quality rating of service against the NQS’ was the least important factor to families when choosing a service (see **Figure 3**). However, when asked to detail other factors that influence their choice, respondents listed several factors that are all encompassed within the quality rating assessment against the NQS.

This would suggest that there continues to be a need for further engagement and communications with families about the NQF, with particular reference to the language used to describe the NQF and NQS.

Figure 3: Most important factors in service choice by service type



5. Efficiency and cost effectiveness of the regulation of education and care services

The NP NQA commits all governments to the goal of reducing regulatory burden for education and care service providers, and ensuring that the NQF remains efficient and effective.

Since 2012, the single national legislative system has reduced regulatory burden for education and care providers that were previously required to meet separate state, territory and Commonwealth requirements.

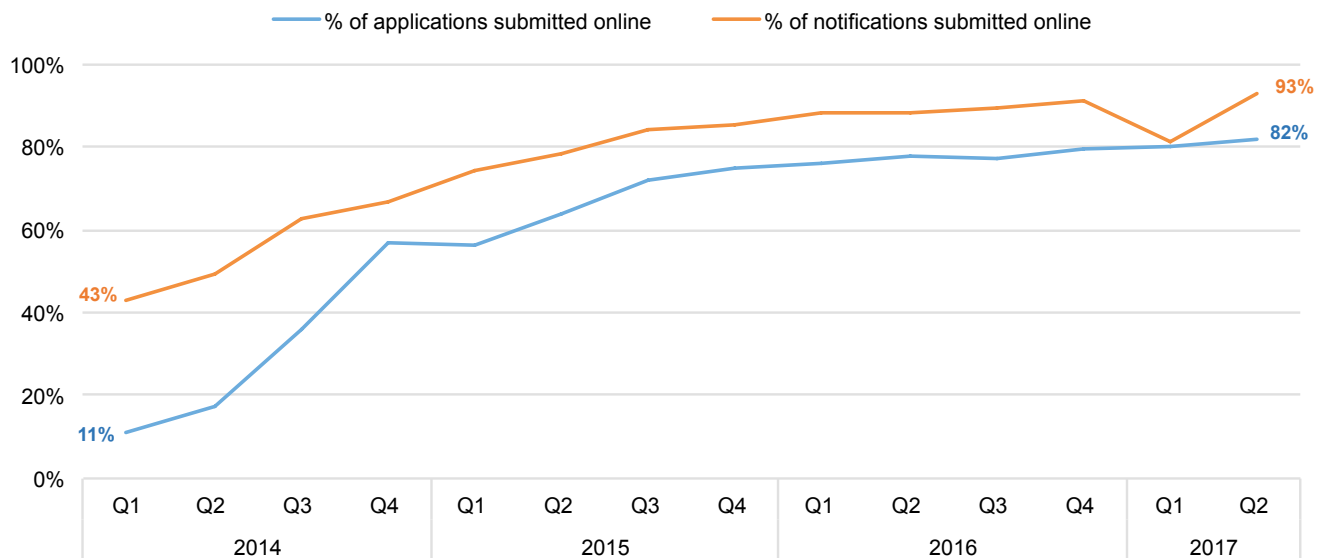
Under the NQF, minimum enforceable standards and quality rating assessments are encompassed in a unified system.

The Commonwealth, state and territory governments, and ACECQA regularly collaborate to review and analyse the performance of the NQF, and continue to work together on a number of activities to promote efficiency and cost effectiveness.

One tangible way in which efficiency and consistency has been improved for both the regulated sector and the regulators is through the increased use of online application and notification forms (see **Figure 4**), as part of the National Quality Agenda IT System (NQA ITS).

The NQA ITS is the national database used by state and territory regulatory authorities to record their regulatory activity. It is also available to providers of education and care services through an online portal, offering an online business tool to lodge applications and notifications, as well as update contact details.

Figure 4: Change in sector use of NQA ITS online application and notification forms²



2. The proportion of online notifications for Q1 2017 was affected by ACECQA manually creating notifications on behalf of a jurisdiction affected by adverse weather conditions.

6. Regulatory burden for education and care service providers

On behalf of all governments, ACECQA is responsible for measuring and reporting on the perceptions of regulatory burden experienced by the providers of education and care services under the NP NQA. To this end, ACECQA has undertaken four surveys between 2013 and 2017 to measure approved providers' perception of burden associated with the administrative requirements of the NQF.

Based on those providers who responded to the optional surveys, the perception of overall burden increased between 2015 and 2017, however it remained lower than in 2013 and 2014 (see **Figure 5**).

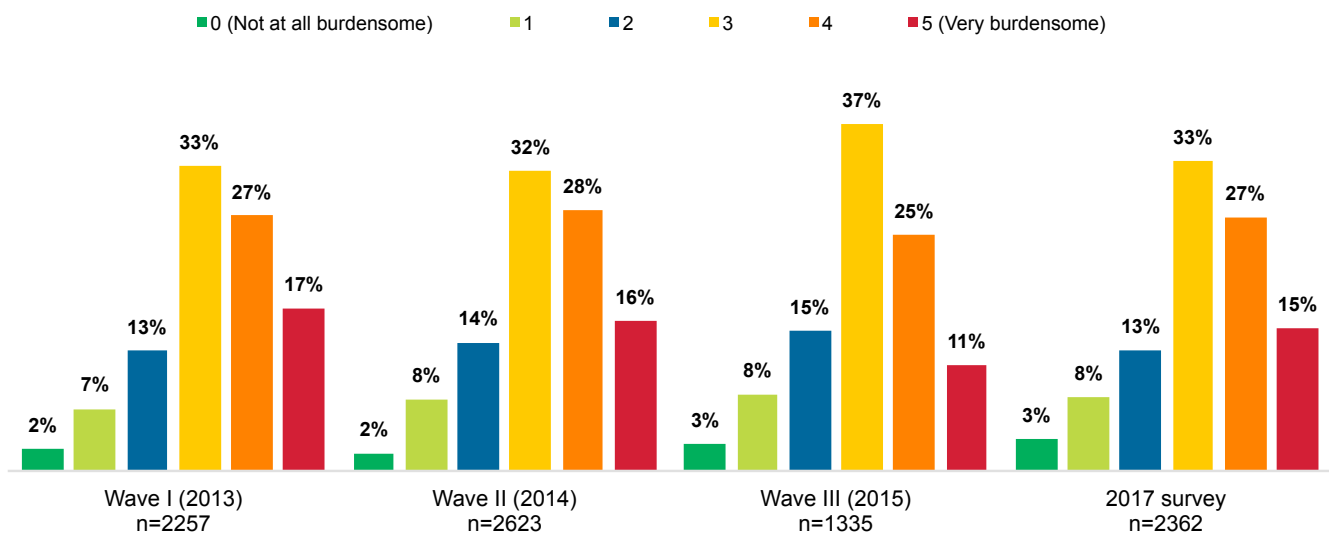
Despite the perceived burden of some administrative requirements, overall support for the NQF amongst providers of education and care services has been consistently above 95% since 2013.

Perceived overall burden was largely influenced by perceptions of burden associated with six administrative requirements. Four of the six requirements, including documenting children's learning and maintaining policies and procedures, were considered more beneficial than burdensome.

However, quality assessment and rating visits and quality improvement plans (QIPs) were considered by a slim majority of providers to be more burdensome than beneficial.

This would suggest that there continues to be a need for further engagement and communications with providers about the value of quality assessment and rating visits and QIPs, as well as further clarification and clarity about what is expected in terms of preparation for a visit and content for a QIP.

Figure 5: Overall perception of burden



7. Skilled education and care workforce

The NP NQA aim to build a highly skilled workforce is supported by the NQF's focus on improved educator to child ratios and educator qualification requirements.

Research supports this focus, with evidence that lower educator to child ratios and higher educator qualifications are associated with higher quality education and care for young children.

Quality Area 4 of the NQS encompasses two standards that address the staffing arrangements of education and care services:

- Staffing arrangements enhance children's learning and development and ensure their safety and wellbeing
- Educators, co-ordinators and staff members are respectful and ethical.

The proportion of services rated Meeting NQS or above for Quality Area 4 has increased over time. All service types have increased the proportion of services rated Meeting NQS or above for Quality Area 4, except for family day care services.

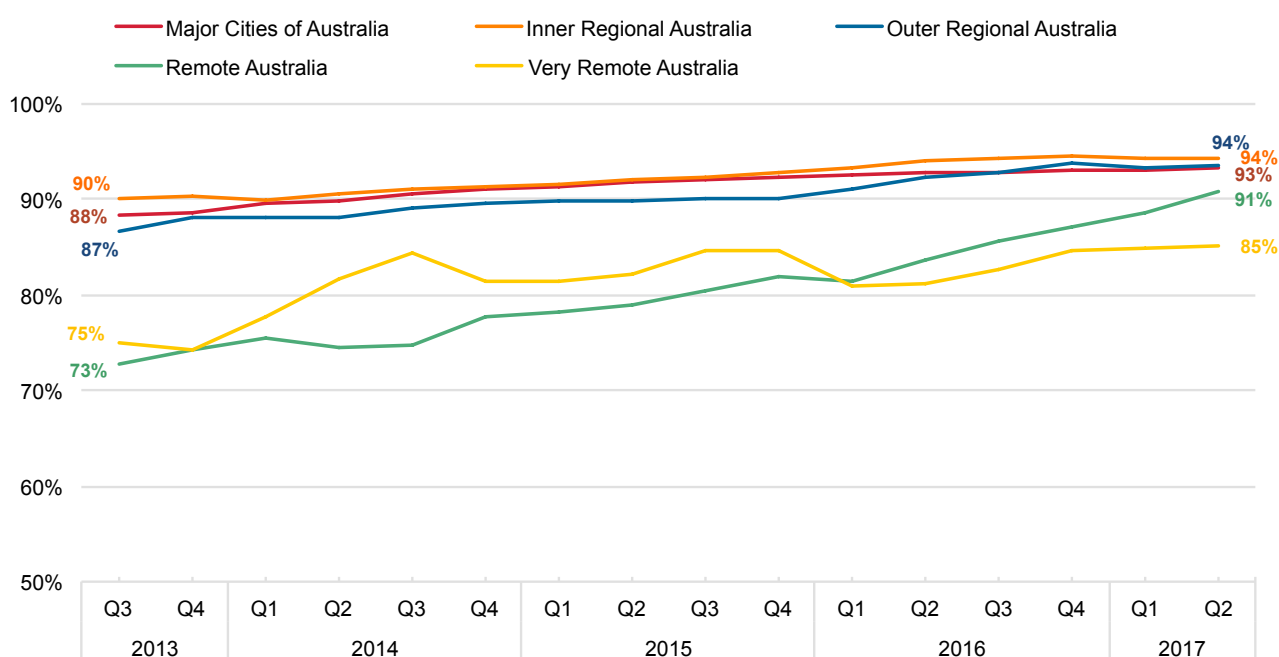
Looking at the results by remoteness classification³, services in remote and very remote areas find the requirements of Quality Area 4 harder to meet than services in metropolitan and regional areas (see **Figure 6**).

This reflects the significant and complex challenge that services in remote and very remote areas can face in attracting and retaining skilled and experienced staff.

A number of agencies support the supply of quality educators, through the:

- assessment of educator qualifications (ACECQA)
- assessment for skilled migration (AITSL)
- registration/accreditation of early childhood teachers (in some states)
- assessment of early childhood teaching degrees (ACECQA and state and territory teacher regulatory authorities)
- regulation and review of vocational education and training qualifications (ASQA and SkillsIQ).

Figure 6: Proportion of centre-based services rated Meeting NQS or above for Quality Area 4, by remoteness classification



3. Family day care services are excluded from remoteness classification as their approval is not specific to one location.

8. Governance

The NP NQA seeks to deliver an integrated and unified national system for education and care services which is jointly governed, drives continuous improvement in the quality of services, and allows the perspectives of all jurisdictions to be taken into account in the operation of the NQF.

The NQF delivers this integration and unified national approach through the Education and Care Services National Law and Regulations, and the National Quality Standard. Since 2012, the requirements of the NQF have been progressively implemented (see **Figure 7**).

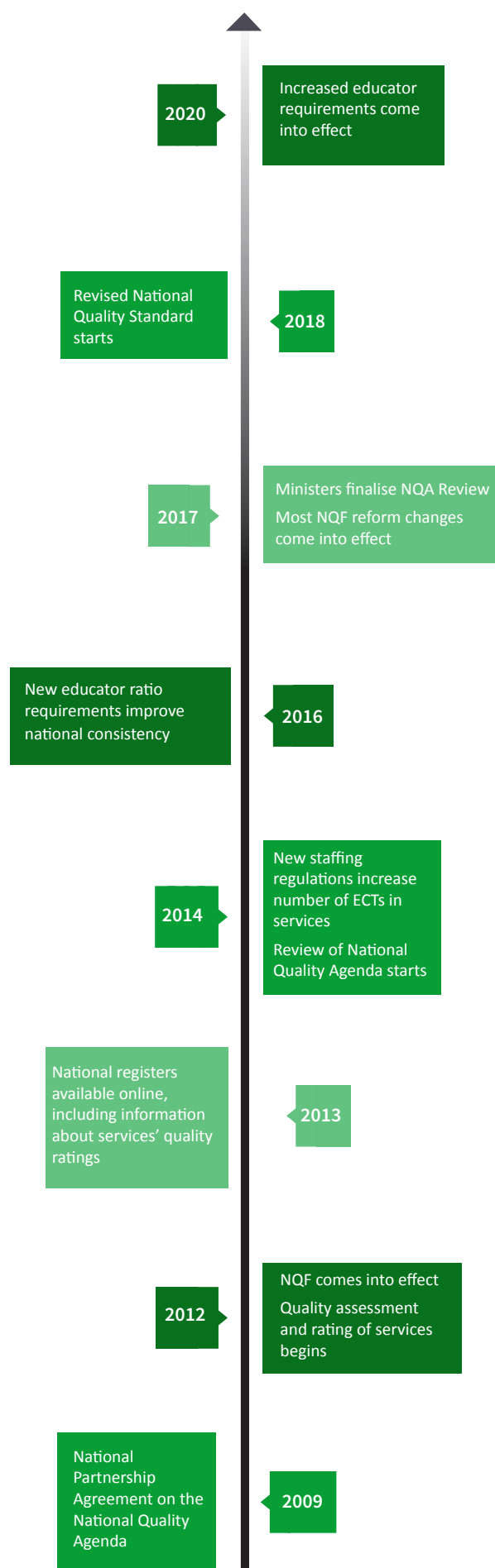
The success of the NQF to date is due in no small part to the support from service providers, peak bodies and educators, as well as the collaboration between governments and the sector to improve outcomes for children.

The Education Council consists of Education Ministers from each of the nine Australian governments. On behalf of COAG, the Education Council is responsible under the National Law for early childhood education and care matters, and authorises and oversees the implementation and administration of the NQF.

The NP NQA identifies and specifies the roles and responsibilities of each party under the agreement, in regard to the regulation of the education and care sector.

The regulatory authority in each state and territory is primarily responsible for administering the NQF, including approving, monitoring and quality assessing services. ACECQA works with all governments to guide the implementation and administration of the NQF.

Figure 7: NQF timeline



Family day care services

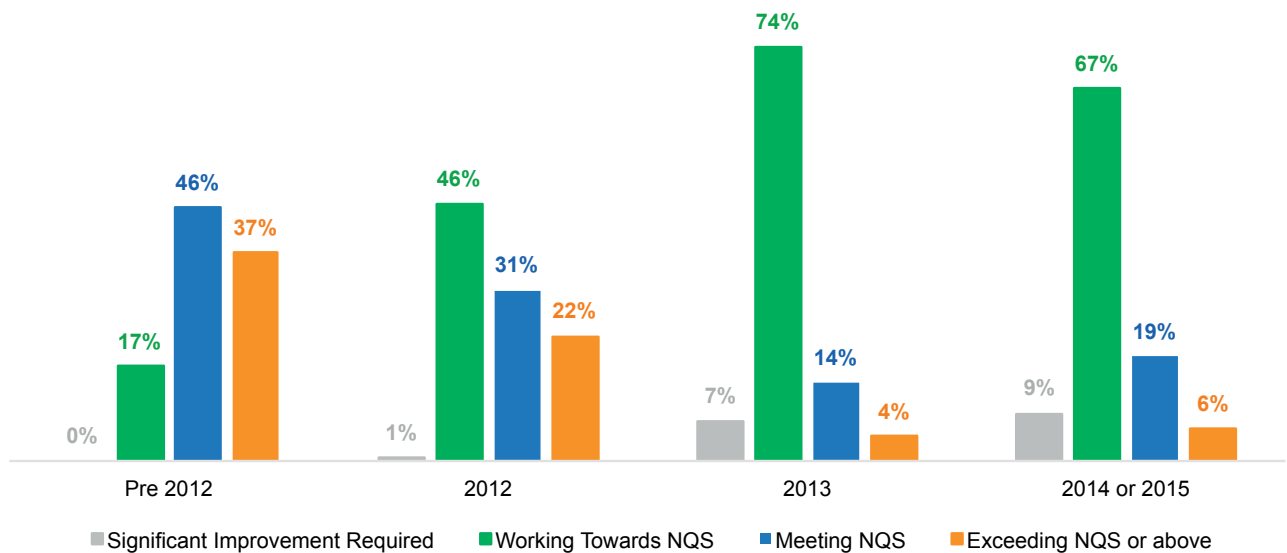
As noted in a number of the chapters of this report, the initial focus of state and territory regulatory authorities tended to be on the assessment and rating of more well established services, with the focus subsequently switching to newer, less established services.

When the performance of family day care services is analysed by the age of the service (i.e. the year in which the service approval was granted by the state or territory regulatory authority), it is clear that older services perform markedly better than newer services (see **Figure 8**).

Of the 303 family day care services approved before 1 January 2013 that have a quality rating, 68% are rated at Meeting NQS or above. In stark contrast, of the 346 family day care services approved between 2013 and 2015 that have a quality rating, only 29% are rated at Meeting NQS or above.

In terms of provider management type, 114 of the 303 family day care services (38%) approved before 1 January 2013 that have a quality rating are 'private for profit' services. In contrast, 323 of the 346 family day care services (93%) approved between 2013 and 2015 that have a quality rating are 'private for profit' services.

Figure 8: Overall quality ratings for family day care services, by year in which the service approval was granted



Chapter 1

Safety, health and wellbeing of children attending education and care services

Key messages

- The National Quality Framework (NQF) recognises that children's safety, health and wellbeing lay the foundation for happy, healthy, self-confident and optimistic individuals.
- The NQF aims to ensure the safety, health and wellbeing of children attending education and care services through a number of methods, including several explicit requirements and obligations within the National Law and Regulations, as well as the quality assessment and rating of services against the National Quality Standard (NQS).
- Quality Area 2 of the NQS encompasses three standards that address the health and safety of children attending education and care services.
- The proportion of services rated Meeting NQS or above for Quality Area 2 has increased for all service types over time, except for family day care services.
- The number of Significant Improvement Required ratings issued by financial year increased in 2016/17. The increase was predominantly as a result of a number of family day care services receiving the rating.
- Through its comprehensive reporting requirements and focus on continuous quality improvement, the NQF encourages a positive culture of reporting and learning from incidents and breaches.
- Serious incidents and confirmed breaches data may provide proxy indicators of children's safety, health and wellbeing while attending education and care services. However, it is important to understand the challenges associated with establishing robust and meaningful baselines and benchmarks for analysing trends and differences in these data. It is also important to consider the data in the context of the number of children attending education and care services (it is estimated that more than 1.3 million children attend, with more than 700,000 children attending long day care services).
- The 2016/17 financial year is the first year that serious incidents and confirmed breaches data have been of sufficient quality to publish. The 2017/18 financial year will offer the opportunity to commence further comparative analysis.
- Forty three per cent of services had one or more serious incidents recorded in the National Quality Agenda IT System (NQA ITS) for the 2016/17 financial year, with 84% of all recorded serious incidents relating to children experiencing injury, illness or trauma.
- Twenty one per cent of services had one or more confirmed breaches of the National Law or Regulations recorded in the NQA ITS for the 2016/17 financial year.

Overview

One of the objectives of the National Quality Framework (NQF) is to ensure the safety, health and wellbeing of children attending education and care services. To this end, the NQF, through the National Law and Regulations, established a single national regulatory system which sets and enforces minimum standards relating to children's health, safety and wellbeing. It also established the National Quality Standard (NQS) against which education and care services are assessed and rated.

The National Law and Regulations include several explicit requirements and obligations aimed at ensuring children's safety, health and wellbeing, such as health, hygiene and safe food practices, incident, injury, trauma and illness policies and procedures, emergency and evacuation procedures, and risk assessments.

Through their ongoing compliance monitoring and investigations of potential breaches of the requirements of the National Law and Regulations, state and territory regulatory authorities play a vital role in furthering this NQF objective.

While considerations relating to children's safety, health and wellbeing are embedded throughout the NQS, they are the focus of Quality Area 2 (Children's health and safety). In this quality area, children's health and safety refers to the physical, emotional and psychological welfare of children attending an education and care service. It incorporates children's sense of wellbeing, physical comfort, individual health needs, nutrition, access to physical activity, and protection from harm, injury and illness.

The approved learning frameworks of the NQF recognise that children's health, safety and wellbeing lay the foundation for children to become happy, healthy, self confident and optimistic individuals. When children feel happy, secure and connected to their broader social environment, they are able to fully participate in, and learn from, daily routines, play, interactions and experiences in their education and care setting.

Children's health and safety quality rating results

Quality Area 2 of the NQS comprises three standards that explicitly address different aspects of children's safety, health and wellbeing. A description of these standards and their underlying elements is provided in **Table 1.1**.

Figure 1.1 compares performance against Quality Area 2 over time, showing the proportion of services that were rated Meeting NQS or above.

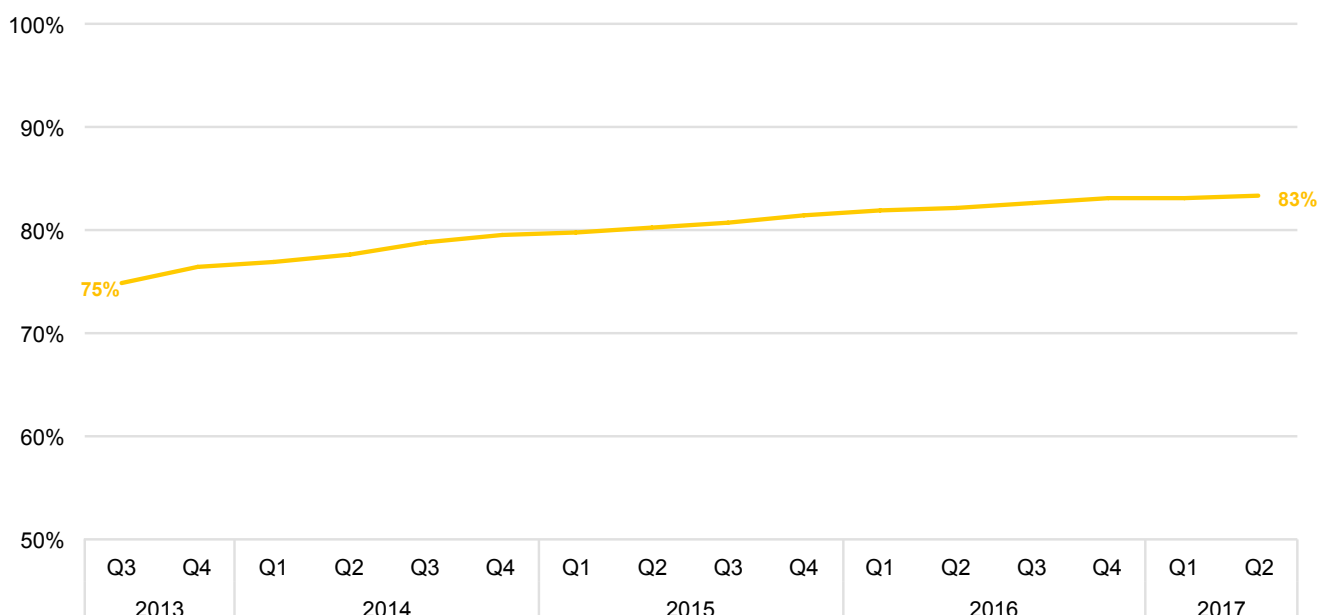
As at 30 June 2017, 83% of services were rated Meeting NQS or above in Quality Area 2, up from 75% as at 30 September 2013.

As at 30 June 2017, 83% of services were rated Meeting NQS or above in Quality Area 2, up from 75% as at 30 September 2013.

Table 1.1: Quality Area 2 (Children’s health and safety) standards and elements

Standard 2.1 Each child’s health is promoted	
2.1.1	Each child’s health needs are supported
2.1.2	Each child’s comfort is provided for and there are appropriate opportunities to meet each child’s need for sleep, rest and relaxation
2.1.3	Effective hygiene practices are promoted and implemented
2.1.4	Steps are taken to control the spread of infectious diseases and to manage injuries and illness, in accordance with recognised guidelines
Standard 2.2 Healthy eating and physical activity are embedded in the program for children	
2.2.1	Healthy eating is promoted and food and drinks provided by the service are nutritious and appropriate for each child
2.2.2	Physical activity is promoted through planned and spontaneous experiences and is appropriate for each child
Standard 2.3 Each child is protected	
2.3.1	Children are adequately supervised at all times
2.3.2	Every reasonable precaution is taken to protect children from harm and any hazard likely to cause injury
2.3.3	Plans to effectively manage incidents and emergencies are developed in consultation with relevant authorities, practised and implemented
2.3.4	Educators, co-ordinators and staff members are aware of their roles and responsibilities to respond to every child at risk of abuse or neglect

Figure 1.1: Proportion of services rated Meeting NQS or above for Quality Area 2



Service type

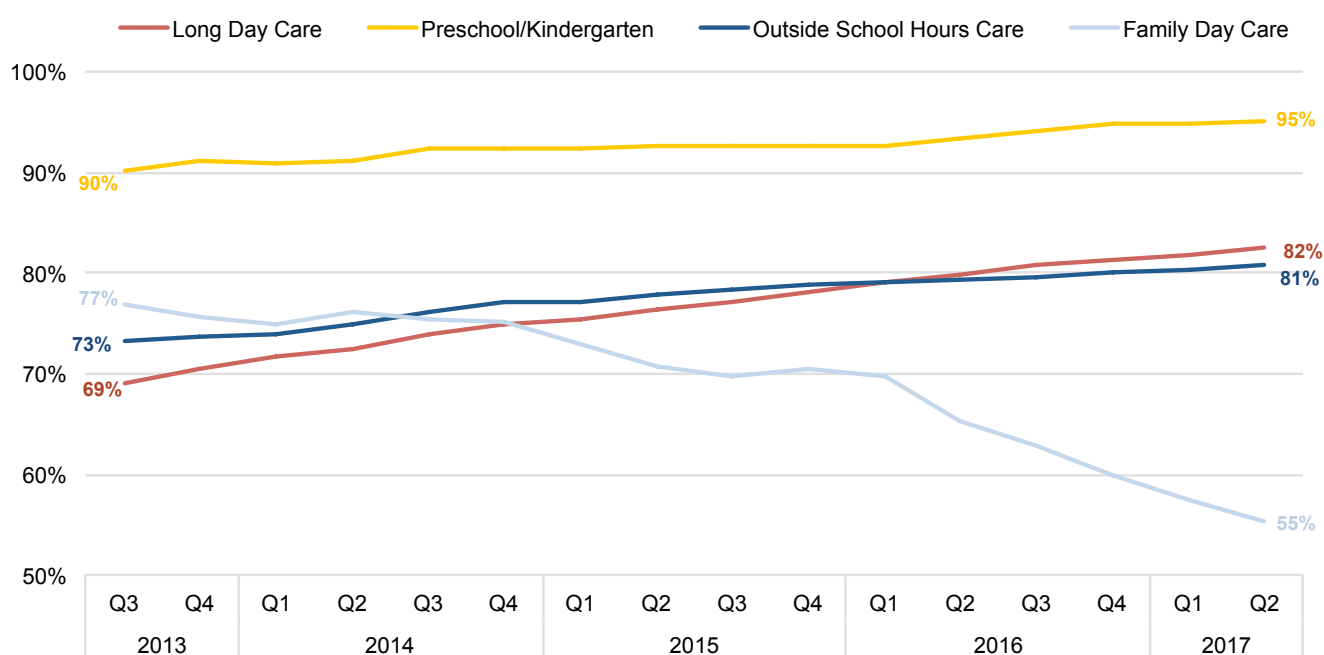
As at 30 June 2017, preschools/ kindergartens (95%) were most likely to be rated Meeting NQS or above for Quality Area 2, followed by long day care services (82%), outside school hours care services (81%) and family day care services (55%).

Figure 1.2 shows that the proportion of services rated Meeting NQS or above for Quality Area 2 increased over time for all service types, except for the family day care sector.

As at 30 June 2017, preschools/kindergartens were most likely to be rated Meeting NQS or above for Quality Area 2 (95%), followed by long day care services (82%), outside school hours care services (81%) and family day care services (55%).

The marked decline in performance for the family day care sector may reflect the fact that the initial focus of state and territory regulatory authorities tended to be on the assessment and rating of more well established services, with the focus subsequently switching to newer, less established services. The latter cohort of family day care services appear to find the three standards and 10 elements contained within Quality Area 2 challenging, in particular Element 2.3.2 and 2.3.3.

Figure 1.2: Proportion of services rated Meeting NQS or above for Quality Area 2, by service type



Remoteness classification

Figure 1.3 presents the distribution of centre-based services rated Meeting NQS or above for Quality Area 2 over time according to the Accessibility/Remoteness Index of Australia (ARIA+).¹

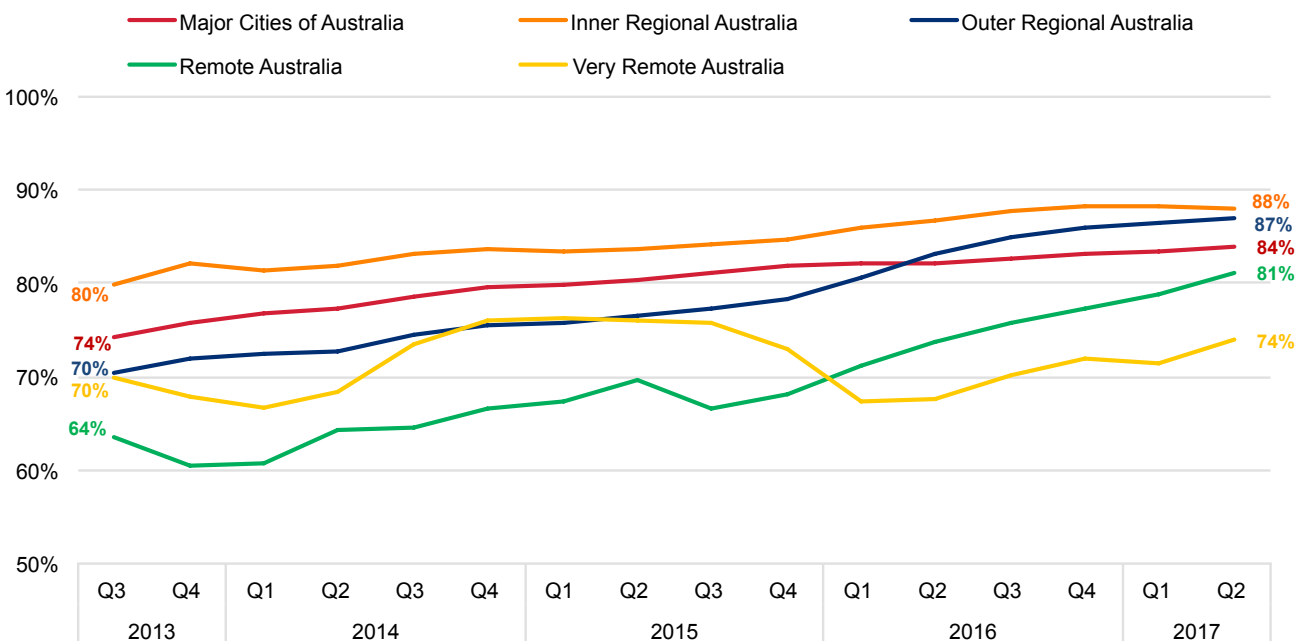
As at 30 June 2017, Inner Regional areas (88%), Outer Regional areas (87%) and Major Cities (84%) had the highest proportion of services rated Meeting NQS or above for Quality Area 2. In contrast, Remote (81%) and Very Remote areas (74%) had the lowest proportion.

Comparing the proportion of services rated Meeting NQS or above for Quality Area 2 in Q3 2013 with Q2 2017, services in Outer Regional and Remote areas showed the greatest improvement (17 percentage points), while services in Very Remote areas showed the smallest improvement (4 percentage points).

The number of quality rated centre-based services in Remote (181) and Very Remote (133) areas should also be noted, as the relatively low numbers can lead to fluctuations over time.

As at 30 June 2017, Inner Regional areas (88%), Outer Regional areas (87%) and Major Cities (84%) had the highest proportion of services rated Meeting NQS or above for Quality Area 2. In contrast, Remote (81%) and Very Remote areas (74%) had the lowest proportion.

Figure 1.3: Proportion of centre-based services rated Meeting NQS or above for Quality Area 2, by remoteness classification



1. Family day care services are excluded from remoteness classification as their approval is not specific to one location.

Quality Area 2 – Standards 2.1, 2.2 and 2.3

Figure 1.4 shows that services have found Standard 2.2 comparatively less challenging than several other standards.

As at 30 June 2017, 94% of services were rated Meeting NQS or above for Standard 2.2. In comparison, Standard 2.1 and 2.3 are among the most challenging standards for services.

Ninety per cent of services were rated Meeting NQS or above for Standard 2.1, with 88% of services rated Meeting NQS or above for Standard 2.3.

Figure 1.5 shows that the proportion of services rated Meeting NQS or above has increased over time for Standard 2.1, 2.2 and 2.3. Standard 2.1 increased from 84% in Q3 2013 to 90% in Q2 2017, while Standard 2.2 increased from 89% to 94%, and Standard 2.3 from 83% to 88%.

Figure 1.4: Proportion of services rated Meeting NQS or above for each standard of the NQS, as at 30 June 2017

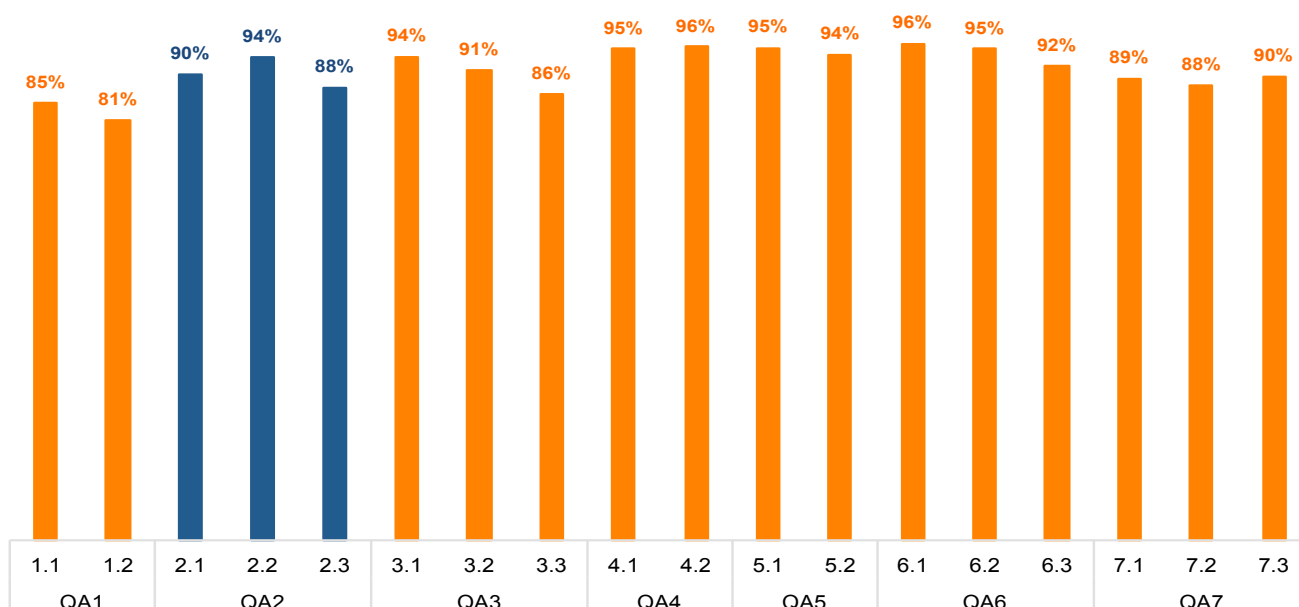
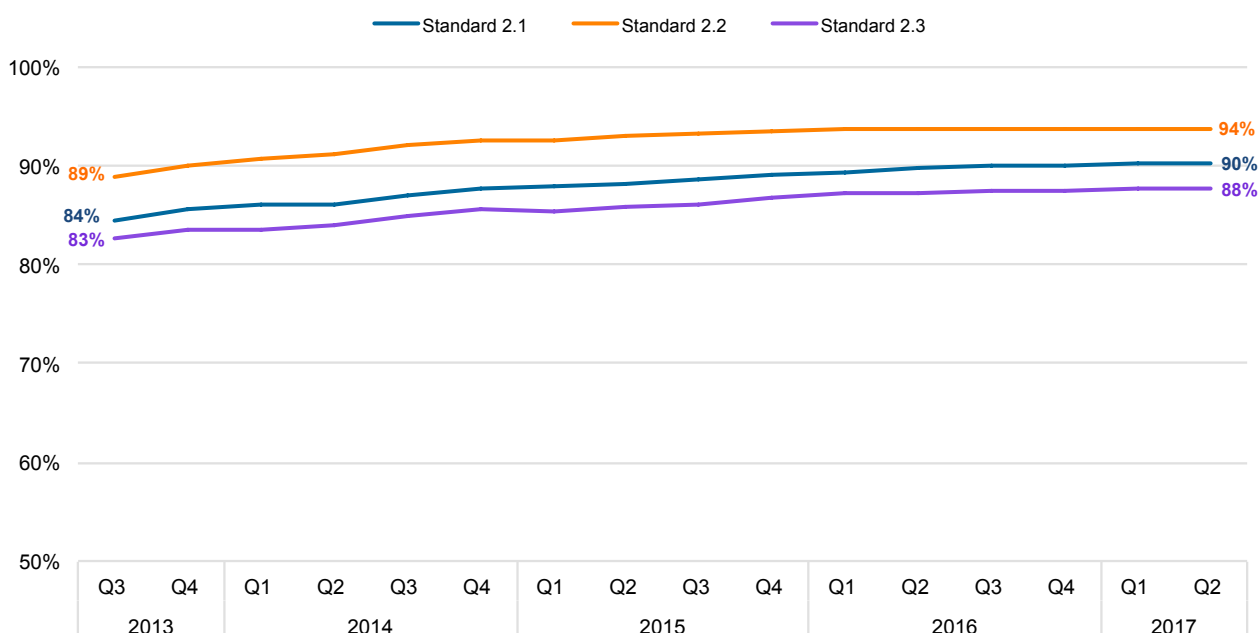


Figure 1.5: Proportion of services rated Meeting NQS or above for Standard 2.1, 2.2 and 2.3



Quality Area 2 – Elements

Standard 2.1 consist of three elements, Standard 2.2 consists of two elements and Standard 2.3 consists of four.

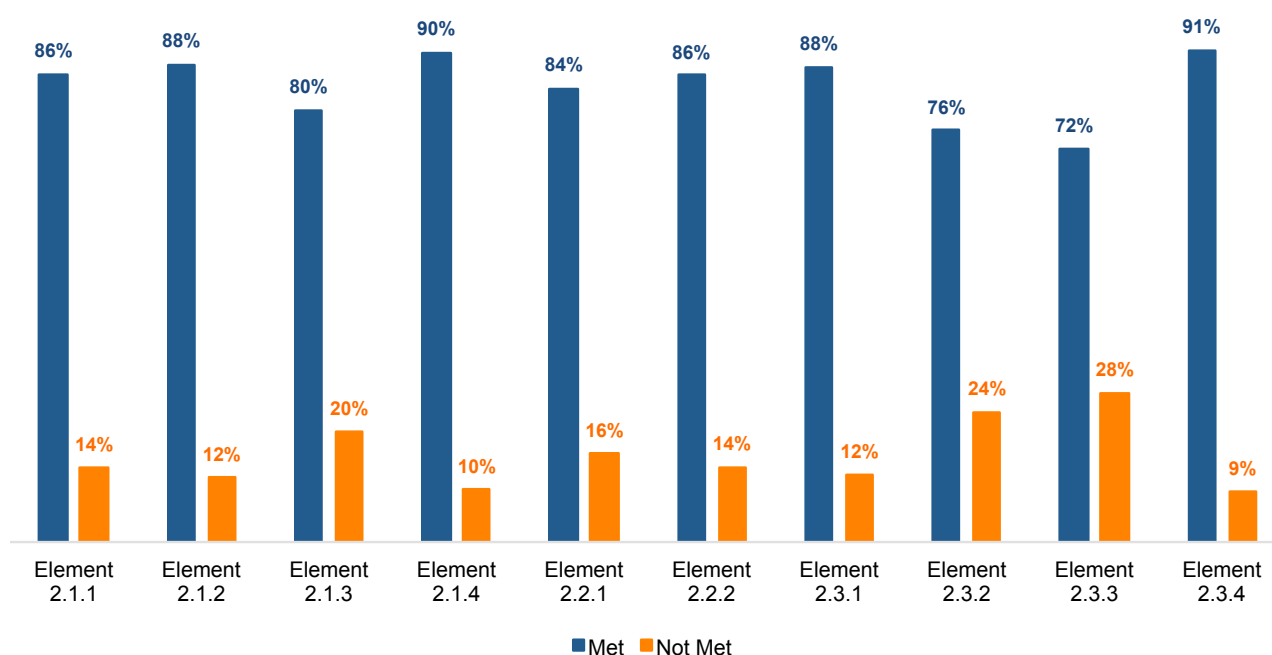
Figure 1.6 shows that as at 30 June 2017, the elements of Quality Area 2 most likely to be assessed as Met for services rated below Meeting NQS were:

- Element 2.3.4 (Educators, coordinators and staff members are aware of their roles and responsibilities to respond to every child at risk of abuse or neglect); 91%
- Element 2.1.4 (Steps are taken to control the spread of infectious diseases and to manage injuries and illness, in accordance with recognised guidelines); 90%
- Element 2.1.2 (Each child’s comfort is provided for and there are appropriate opportunities to meet each child’s need for sleep, rest and relaxation); 88%
- Element 2.3.1 (Children are adequately supervised at all times); 88%.

Figure 1.6 also shows that the following elements in Quality Area 2 were the least likely to be assessed as Met for services rated below Meeting NQS:

- Element 2.3.3 (Plans to effectively manage incidents and emergencies are developed in consultation with relevant authorities, practised and implemented); 72%
- Element 2.3.2 (Every reasonable precaution is taken to protect children from harm and any hazard likely to cause injury); 76%
- Element 2.1.3 (Effective hygiene practices are promoted and implemented); 80%.

Figure 1.6: Proportion of Quality Area 2 elements assessed as Met or Not Met for services rated below Meeting NQS, as at 30 June 2017²



2. Only services receiving an overall quality rating of Significant Improvement Required or Working Towards NQS are counted in these calculations as services with an overall quality rating of Meeting NQS, Exceeding NQS or Excellent must have all elements assessed as Met.

Use of the Significant Improvement Required rating

State and territory regulatory authorities may rate a service Significant Improvement Required (SIR) for a standard and/or quality area where the service fails to meet a quality area or comply with a relevant regulation in a manner that poses an unacceptable risk to the health, safety or wellbeing of children at the service. A rating of SIR in one standard or quality area results in the service receiving an overall rating of SIR.

The SIR rating is intended to motivate a provider to address the issue(s) that led to the rating in a timely and satisfactory fashion, and reduce the possibility that children are exposed to unacceptable risks in future.

Table 1.2 shows that, as at 30 June 2017, the SIR rating has been issued by state and territory regulatory authorities on 100 occasions. In 2016/17, the number of SIR ratings increased markedly, most notably for family day care and outside school hours care services.

The frequency of the SIR rating is influenced by how different regulatory authorities have used it as a regulatory tool over time. For example, a regulatory authority may choose to use monitoring and compliance checks rather than the quality assessment and rating process to identify and correct risks. It may also suspend a service's assessment and rating while compliance action is taken.

The figures for 2016/17 would suggest that there has been a shift towards using the SIR rating as a regulatory tool, particularly in the family day care sector. The rise in SIR ratings may also reflect the fact that a number of newer, less well established and lower quality family day care services were assessed and rated for the first time in 2016/17.

A small number of education and care services have received the SIR rating more than once (nine services have received the rating twice and one service has received the rating three times).

Table 1.2: Number of Significant Improvement Required ratings issued, by service type

Financial year	Long day care	Preschool/ Kindergarten	Outside school hours care	Family day care	Total
2012/13	11	1	0	2	14
2013/14	4	0	4	1	9
2014/15	4	0	0	8	12
2015/16	2	0	1	11	14
2016/17	5	0	11	35	51
Total	26	1	16	57	100

Table 1.3 shows the 89 services that have been rated SIR. In total, 49 family day care, 24 long day care and 15 outside school hours care services have been rated SIR, while only one preschool/kindergarten has been rated SIR.

As at 30 June 2017, of the 89 services that have been rated SIR, 13 are no longer approved to operate under the NQF, with 29 having received the rating during the 2017 calendar year (i.e. within the last six months).

Figure 1.7 shows that 39 services rated SIR have subsequently been reassessed on one or more occasions. Of those 39 services, 33 (85%) were rated at Working Towards NQS or above as at 30 June 2017.

Quality Area 2 was the quality area most frequently rated SIR, followed by Quality Area 7 (Leadership and service management), Quality Area 3 (Physical environment) and Quality Area 4 (Staffing arrangements).

The data would suggest that these four quality areas, most notably Quality Area 2, play a pivotal role in a state or territory regulatory authority’s decision to issue a rating of Significant Improvement Required.

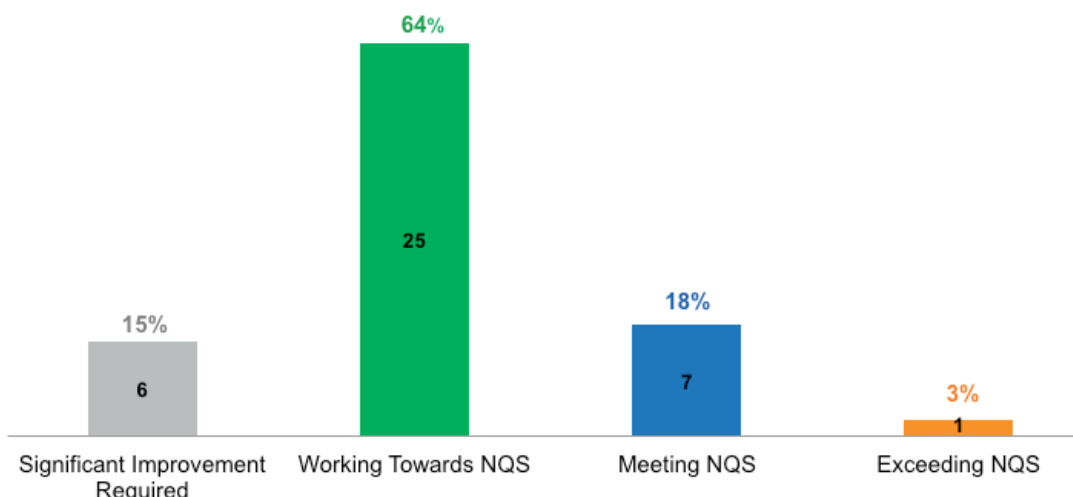
At the standard level, the following standards were most frequently rated SIR, further indicating the important relationship between the health and safety requirements of Quality Area 2, and the leadership and service management requirements of Quality Area 7:

- Standard 2.3 (Each child is protected)
- Standard 7.1 (Effective leadership promotes a positive organisational culture and builds a professional learning community)
- Standard 7.3 (Administrative systems enable the effective management of a quality service)
- Standard 2.1 (Each child’s health is promoted).

Table 1.3: Number of services rated Significant Improvement Required, by service type

Service type	Number of services rated SIR	Number of services rated SIR more than once
Family day care	49	7
Long day care	24	2
Outside school hours care	15	1
Preschool/Kindergarten	1	0
Total	89	10

Figure 1.7: Current rating of services that have been reassessed on one or more occasions who were originally rated Significant Improvement Required, as at 30 June 2017



Serious incidents

Providers are required to notify regulatory authorities of serious incidents that occur at their services.

Serious incidents are defined in the National Regulations as:

- the death of a child
 - while being educated and cared for by an education and care service or
 - following an incident while being educated and cared for by an education and care service
- any incident involving serious injury or trauma to, or illness of, a child while being educated and cared for by an education and care service
 - which a reasonable person would consider required urgent medical attention from a registered medical practitioner, or
 - for which the child attended, or ought reasonably to have attended, a hospital
- any incident where the attendance of emergency services at the education and care service premises was sought, or ought reasonably to have been sought;³
- any circumstance where a child being educated and cared for by an education and care service
 - appears to be missing or cannot be accounted for, or
 - appears to have been taken or removed from the education and care service premises in a manner that contravenes the National Regulations, or
 - is mistakenly locked in or locked out of the education and care service premises or any part of the premises.

A low or decreasing rate of serious incidents over time may suggest that the NQF is achieving one of its key objectives in ensuring the health, safety and wellbeing of children in education and care.

However, it should be noted that, in common with other sectors, there is an ongoing challenge to mediate 'over' and 'under' reporting of serious incidents by service providers. For example, a provider might report a relatively high number of serious incidents because of robust and comprehensive reporting mechanisms, overly cautious reporting procedures, unique child cohorts and service circumstances, or because of poor health and safety standards.

Similarly, a provider might report a relatively low number of serious incidents because of exceptional health and safety standards, lax reporting procedures, or because of restrictive learning and development opportunities.

Establishing robust and meaningful baselines and benchmarks for analysing trends and differences in serious incidents data as a proxy for children's safety, health and wellbeing remains an ongoing challenge, particularly as the quality of serious incidents data was variable in the initial years of the NQF. This issue has been progressively addressed by improvements and enhancements to the National Quality Agenda IT System (NQA ITS), resulting in improved confidence in the quality and coverage of the serious incidents data relating to the 2016/17 financial year.

It is also important to consider the data in the context of the number of children attending education and care services (for example, more than 700,000 children attend long day care services, more than 400,000 attend outside school hours care services, and more than 200,000 attend family day care services).

3. The definition of 'serious incident' changed on 1 October 2017 following legislative changes from the 2014 NQA Review. Providers are now only required to notify the regulatory authority of a serious illness for which the child attended, or should have attended, a hospital or where emergency services attended a location at which an education and service is being provided, as a result of an emergency. The definition of 'emergency' was also amended to mean incident, situation or event where there is an imminent or severe risk to the health, safety or wellbeing of a person or persons at a place where education and care services are being provided.

Table 1.4 shows that, in 2016/17, there was a total of 15,426 serious incidents recorded in the NQA ITS. When compared to the number of approved services as at 30 June 2017 (15,546), this equates to a rate of 99 serious incidents per 100 approved services. When compared to the estimated number of children attending services, this equates to a rate of approximately one incident per 100 children.

The rate per 100 approved services does not mean that almost every service reported a serious incident between 1 July 2016 and 30 June 2017, as there will be several services that reported more than one serious incident during this time period, as well as several services that did not report any serious incidents during this time period (see **Table 1.5**).

Long day care services reported the most serious incidents and had the highest rate of serious incidents (140 serious incidents per 100 approved long day care services). In comparison, preschools/kindergartens had the lowest rate of serious incidents (41 serious incidents per 100 approved preschools/kindergartens). This may reflect differences in

the model of service delivered by each service type. For example, children at preschools/kindergartens are typically older and attend services for fewer hours per week than those at long day care services. Preschools/kindergartens also typically provide education and care to fewer children than long day care services.

Similarly, differences in the rate for outside schools hours care and family day care services may reflect the fact that the former is attended by large numbers of school-aged children for variable days and lengths of time before and/or after school or for vacation care, while the latter involves small numbers of children attending educator residences.

Table 1.5 shows that the number of services reporting one or more serious incidents in 2016/17 represents 43% of all approved services as at 30 June 2017. The proportion of family day care services (22%) reporting a serious incident was markedly lower than the other service types.

Table 1.4: Number and rate of serious incidents by service type, 2016/17^{4,5}

Service type	Number of serious incidents	Rate per 100 approved services
Long day care	10,033	140
Family day care	596	67
Outside school hours care	3190	67
Preschool/Kindergarten	1607	41
Total	15,426	99

Table 1.5: Number and proportion of services reporting one or more serious incidents by service type, 2016/17⁵

Service type	Number of services reporting one or more serious incidents	% of all approved services as at 30 June 2017
Long day care	4018	56%
Outside school hours care	1579	36%
Preschool/Kindergarten	965	31%
Family day care	196	22%
Total	6758	43%

4. Rate is calculated by dividing the number of serious incidents during the 2016/17 financial year by the number of NQF approved services as at 30 June 2017, multiplied by 100.

5. Excludes services with a service type of 'other'.

Table 1.6: Number and proportion of serious incidents by category, 2016/17⁶

Serious incident category	Number of serious incidents	% of all serious incidents
Injury/Trauma/Illness	12,998	84.3%
Emergency services attended	1396	9.0%
Child missing or unaccounted for	845	5.5%
Child locked in/out of the service	136	0.9%
Child taken away or removed	49	0.3%

Table 1.6 shows that incidents involving injury, trauma or illness account for a very large proportion of all reported serious incidents. This reflects the fact that the injury, trauma and illness category incorporates a broader range of possible serious incidents, while the other categories are more specific and less likely to occur. It may also reflect the greater level of control that providers of education and care services have in preventing some types of serious incidents (for example, a child locked in or out of a service) compared to others (for example, child illness).

Confirmed breaches

A ‘confirmed breach’ is recorded within the NQA ITS when a regulatory authority finds that a provider, nominated supervisor or family day care educator has failed to abide by relevant legislation, regulations or conditions at an NQF approved service.

Not all confirmed breaches represent a risk to children’s health, safety or wellbeing, and the degree of risk varies in individual situations. For example, a breach may relate to a failure to display prescribed information, such as the service’s quality ratings.

Table 1.7 shows that, in 2016/17, there was a total of 15,202 confirmed breaches recorded in the NQA ITS. When compared to the number of approved services as at 30 June 2017 (15,546), this equates to a rate of 98 confirmed breaches per 100 approved services.

Again, just as for serious incidents, this rate does not mean that almost every approved service had a confirmed breach recorded in the NQA ITS between 1 July 2016 and 30 June 2017, as there will be several services with more than one confirmed breach during this time period

(multiple confirmed breaches can also be the result of a single instance of compliance action being taken by a state and territory regulatory authority), as well as several services that did not have any confirmed breaches during this time period (see **Table 1.8**).

Long day care services had the most confirmed breaches recorded in the NQA ITS, however family day care services had by far the highest rate of confirmed breaches (307 confirmed breaches per 100 approved family day care services). In comparison, preschools/ kindergartens had the least confirmed breaches recorded in the NQA ITS, as well as the lowest rate of confirmed breaches (28 confirmed breaches per 100 approved preschools/kindergartens).

Table 1.8 shows that the number of services with one or more confirmed breaches recorded in the NQA ITS in 2016/17 represents 21% of all approved services as at 30 June 2017. The proportion of family day care services (37%) with a confirmed breach was markedly higher than the other service types.

Table 1.9 shows that the following two sections were the most frequently breached sections of the National Law:

- Section 167 (the approved provider, nominated supervisor and family day care educator must ensure that every reasonable precaution is taken to protect children from any harm and any hazard likely to cause injury) : 30%
- Section 165 (the approved provider, nominated supervisor and family day care educator must ensure all children being educated and cared for by the service are adequately supervised at all times) : 16%.

6. Excludes services with a service type of ‘other’.

These two sections of the National Law are central to ensuring children’s health, safety and wellbeing. They are also interrelated in that providing adequate supervision significantly contributes to protecting children from harm and hazard.

Section 167 has a direct correlation with Element 2.3.2 (every reasonable precaution is taken to protect children from harm and any hazard likely to cause injury).

Given that Element 2.3.2 was the second most challenging element for services to meet in Quality Area 2, it is perhaps unsurprising that this section was the most frequently breached. In addition, the very broad nature of the requirement means that it may be relevant in a wide range of circumstances.

Table 1.7: Number and rate of confirmed breaches by service type, 2016/17^{7,8}

Service type	Number of confirmed breaches	Rate per 100 approved services
Family day care	2714	307
Long day care	8256	115
Outside school hours care	3137	67
Preschool/Kindergarten	1095	28
Total	15,202	98

Table 1.8: Number and proportion of services with one or more confirmed breaches recorded in the NQA ITS by service type, 2016/17⁸

Service type	Number of services with one or more confirmed breaches	% of all approved services as at 30 June 2017
Family day care	327	37%
Long day care	1932	27%
Outside school hours care	719	16%
Preschool/Kindergarten	332	11%
Total	3310	21%

Table 1.9: Most frequently breached sections of the National Law, 2016/17⁸

Section	Offence	Number of confirmed breaches	% of all confirmed breaches of the National Law
167	Offence relating to protection of children from harm and hazards	1207	30%
165	Offence to inadequately supervise children	643	16%
174	Offence to fail to notify certain information to regulatory authority	378	10%
172	Offence to fail to display prescribed information	279	7%
168	Offence relating to required programs	277	7%

7. Rate is calculated by dividing the number of confirmed breaches during the 2016/17 financial year by the number of NQF approved services as at 30 June 2017, multiplied by 100.

8. Excludes services with a service type of ‘other’.

Table 1.10 shows that Regulation 103 (premises, furniture and equipment to be safe, clean and in good repair) was the most frequently breached regulation of the National Regulations, followed by Regulation 97 (emergency and evacuation procedures).

Regulation 97 has a direct correlation with Element 2.3.3 (plans to effectively manage incidents and emergencies are developed in consultation with relevant authorities, practised and implemented) which was the least frequently met element in Quality Area 2.

Not all confirmed breaches represent a risk to children's health, safety or wellbeing, and the degree of risk varies in individual situations.

Table 1.10: Most frequently breached regulations of the National Regulations, 2016/17

Regulation	Requirement	Number of confirmed breaches	% of all confirmed breaches of the National Regulations
103	Premises, furniture and equipment to be safe, clean and in good repair	1209	11%
97	Emergency and evacuation procedures	779	7%
173	Prescribed information to be displayed	559	5%
170	Policies and procedures to be followed	538	5%
162	Health information to be kept in enrolment record	451	4%

References

Australian Bureau of Statistics (2013), *Australian Statistical Geography Standard: Volume 5 - Remoteness Structure* (Cat. No. 1270.0.55.005), Canberra.

Australian Children's Education and Care Quality Authority (ACECQA) (2013), *Guide to the National Quality Standard*, Sydney.

ACECQA (2016), [Occasional Paper 2: Children's Health and Safety](#).

Australian Government (2009a), *Belonging, Being and Becoming: The Early Years Learning Framework for Australia*.

Australian Government (2009b), *My Time, Our Place: Framework for School Age Care in Australia*.

Chapter 2

Educational and developmental outcomes for children

Key messages

- The National Quality Framework (NQF) seeks to improve the educational and developmental outcomes for children attending education and care services.
- There is strong evidence that quality education and care makes a significant difference in improving children's future cognitive, educational, physical, social and emotional outcomes.
- Central tenets of the NQF are research-based and are designed to make a difference to children's education and developmental outcomes, for example through the introduction of higher educator qualification requirements and lower educator to child ratios.
- Quality Area 1 of the National Quality Standard (NQS) provides a detailed assessment of a service's educational program and practice, and has consistently been the most challenging of the seven quality areas for services to meet.
- The proportion of services rated Meeting NQS or above for Quality Area 1 has increased for all service types over time, except for the family day care sector.
- State and territory regulatory authorities have undertaken almost 2500 quality rating reassessments, with most of these being for services previously rated at Working Towards NQS. More than two thirds of services previously rated at Working Towards NQS improved their overall quality rating at reassessment.
- Measuring and evaluating improvement in the educational and developmental outcomes for children attending education and care services represents a significant challenge, not least because of the need to link disparate data sets to track the educational and developmental journey of individual children, as well as the length of time required to elapse before a comprehensive and in-depth assessment of educational and developmental outcomes can be made.
- Nevertheless, these issues should not prevent or curtail existing and ongoing efforts to provide a more holistic examination of educational and developmental outcomes for children.
- Available NQS data suggests that services in remote and very remote areas and family day care services may benefit from more tailored and targeted guidance and support to meet the requirements of Quality Area 1.

Overview

One of the objectives of the National Quality Framework (NQF) is to improve the educational and developmental outcomes for children attending education and care services. There is strong evidence that quality education and care makes a significant difference in improving children's future cognitive, educational, physical, social and emotional outcomes.¹ International longitudinal studies have found that high quality education and care programs deliver significant benefits, such as improved cognitive and social development, better transitions to school and reduced need for remedial education or intervention.²

The OECD's *Starting Strong V* report also notes evidence that high quality education and care benefits children's early development, subsequent school career, labour market success and social integration.³

Children attending education and care services where they are engaged in and benefiting from educational opportunities was identified as an important area for action prior to the introduction of the NQF.

The NQF builds on this through Quality Area 1 (Educational program and practice) of the National Quality Standard (NQS) and the approved learning frameworks, which outline practices that support and promote children's development and learning. These practices include critical reflection on children's learning and development, intentional teaching and the promotion of children's agency.

The NQF also introduced higher educator qualification requirements and lower educator to child ratios, both of which have been found to positively impact children's educational and developmental outcomes.

Educational program and practice quality rating results

Quality Area 1 of the NQS comprises two standards that explicitly address different aspects of children's education and development. A description of these standards and their underlying elements is provided in Table 2.1.

There is strong evidence that quality education and care makes a significant difference in improving children's future cognitive, educational, physical, social and emotional outcomes.

1. COAG (2009), *The Early Childhood Development Strategy*, p.21.

2. *ibid*, p.9.

3. OECD (2017), *Starting Strong V: Transitions from Early Childhood Education and Care to Primary Education*, OECD Publishing, Paris, p.19.

Table 2.1: Quality Area 1 (Educational program and practice) standards and elements

Standard 1.1 An approved learning framework informs the development of a curriculum that enhances each child’s learning and development.	
1.1.1	Curriculum decision making contributes to each child’s learning and development outcomes in relation to their identity, connection with community, wellbeing, confidence as learners and effectiveness as communicators.
1.1.2	Each child’s current knowledge, ideas, culture, abilities and interests are the foundation of the program.
1.1.3	The program, including routines, is organised in ways that maximise opportunities for each child’s learning.
1.1.4	The documentation about each child’s program and progress is available to families.
1.1.5	Every child is supported to participate in the program.
1.1.6	Each child’s agency is promoted, enabling them to make choices and decisions and to influence events and their world.
Standard 1.2 Educators and co-ordinators are focused, active and reflective in designing and delivering the program for each child.	
1.2.1	Each child’s learning and development is assessed as part of an ongoing cycle of planning, documenting and evaluation.
1.2.2	Educators respond to children’s ideas and play and use intentional teaching to scaffold and extend each child’s learning.
1.2.3	Critical reflection on children’s learning and development, both as individuals and in groups, is regularly used to implement the program.

Figure 2.1 compares performance against Quality Area 1 over time, showing the proportion of services that were rated Meeting NQS or above.

As at 30 June 2017, 80% of services were rated Meeting NQS or above in Quality Area 1, up from 67% as at 30 September 2013.

Figure 2.1: Proportion of services rated Meeting NQS or above for Quality Area 1



Service type

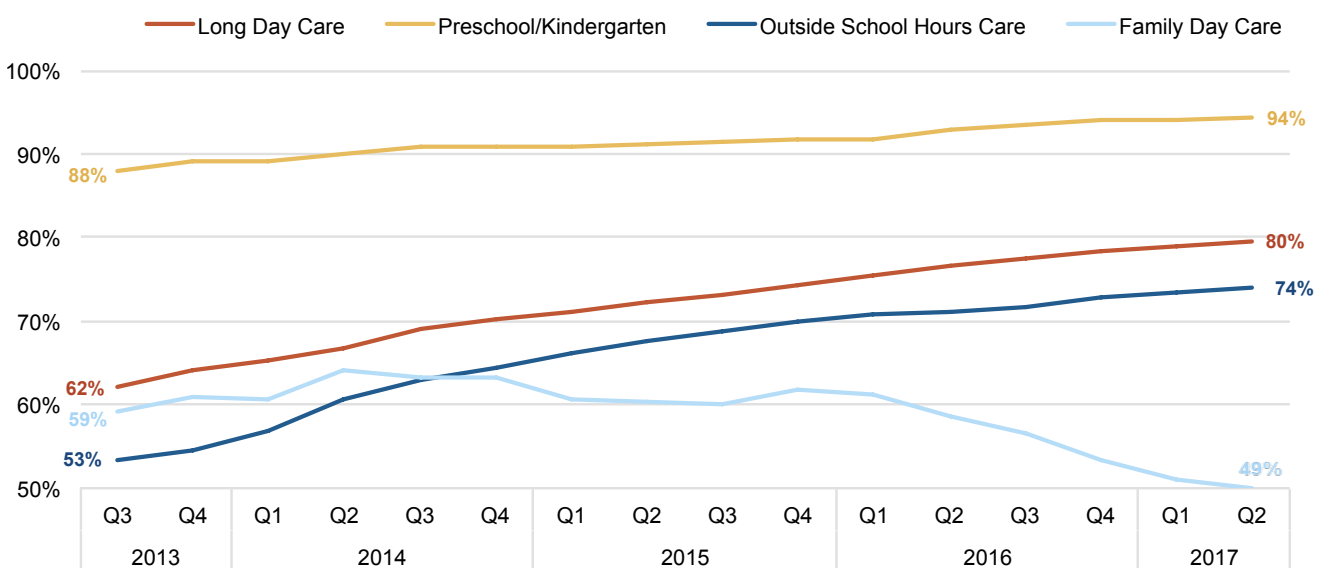
Figure 2.2 shows that the proportion of services rated Meeting NQS or above for Quality Area 1 increased over time for all service types, except for the family day care sector.

As at 30 June 2017, preschools/kindergartens were most likely to be rated Meeting NQS or above for Quality Area 1 (94%), followed by long day care services (80%), outside school hours care services (74%) and family day care services (49%).

The decline in performance for the family day care sector may reflect the fact that the initial focus of state and territory regulatory authorities tended to be on the assessment and rating of more well established services, with the focus subsequently switching to newer, less established services.

As at 30 June 2017, preschools/kindergartens (94%) were most likely to be rated Meeting NQS or above for Quality Area 1, followed by long day care services (80%), outside school hours care services (74%) and family day care services (49%).

Figure 2.2: Proportion of services rated Meeting NQS or above for Quality Area 1, by service type



Remoteness classification

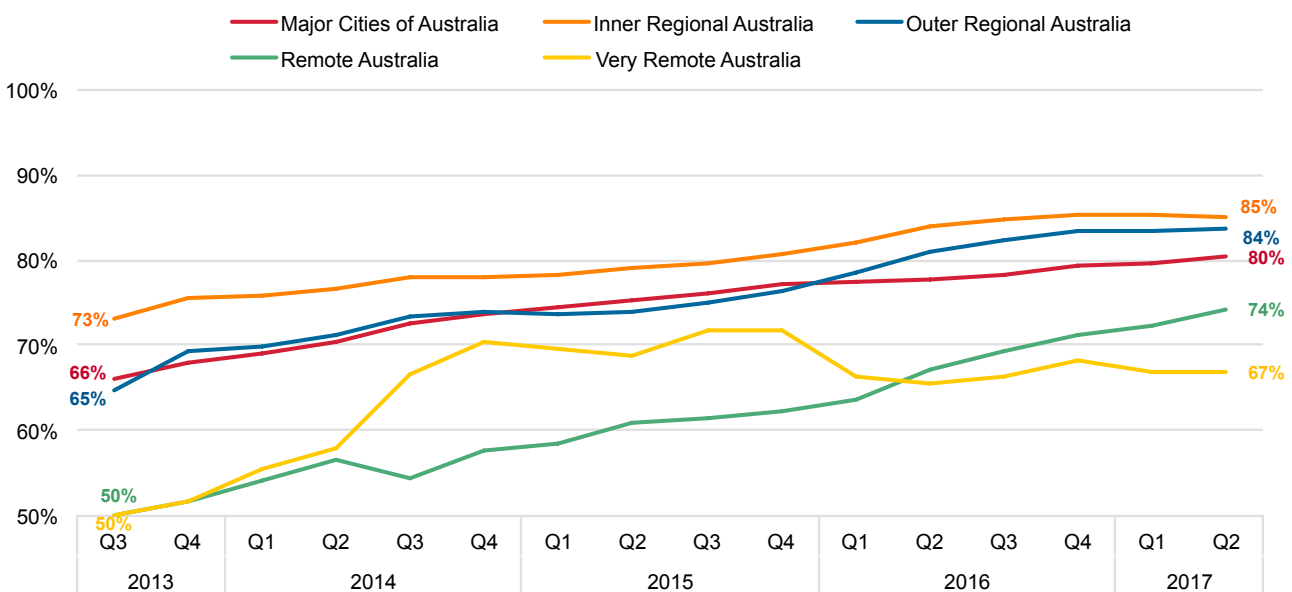
Figure 2.3 presents the distribution of centre-based services rated Meeting NQS or above for Quality Area 1 over time according to the Accessibility/Remoteness Index of Australia (ARIA+).⁴

As at 30 June 2017, Inner Regional areas (85%), Outer Regional areas (84%) and Major Cities (80%) had the highest proportion of services rated Meeting NQS or above for Quality Area 1. In contrast, Remote (74%) and Very Remote (67%) areas had the lowest proportion.

These data suggest that services in remote areas could be better supported to understand and comply with the requirements of Quality Area 1. They may also reflect associated challenges that services in remote areas face in attracting and retaining suitably qualified staff. Although staffing arrangements is the focus of a different quality area of the NQS (Quality Area 4), the presence of qualified and experienced staff influences performance across all seven quality areas, notably Quality Area 1.

The number of quality rated centre-based services in Remote (181) and Very Remote (133) areas should also be noted, as the relatively low numbers can lead to fluctuations over time.

Figure 2.3: Proportion of centre-based services rated Meeting NQS or above for Quality Area 1, by remoteness classification



4. Family day care services are excluded from remoteness classification as their approval is not specific to one location.

Quality Area 1 – Standards 1.1 and 1.2

Figure 2.4 shows that services have found Standard 1.1 and 1.2 comparatively more challenging than all other standards.

As at 30 June 2017, 85% of services were rated Meeting NQS or above for Standard 1.1 and 81% of services were rated Meeting NQS or above for Standard 1.2.

Figure 2.5 shows that the proportion of services rated Meeting NQS or above has increased over time for both Standard 1.1 and 1.2. Standard 1.1 increased from 73% in Q3 2013 to 85% in Q2 2017, while Standard 1.2 increased from 70% in Q3 2013 to 81% in Q2 2017.

Figure 2.4: Proportion of services rated Meeting NQS or above for each standard of the NQS, as at 30 June 2017

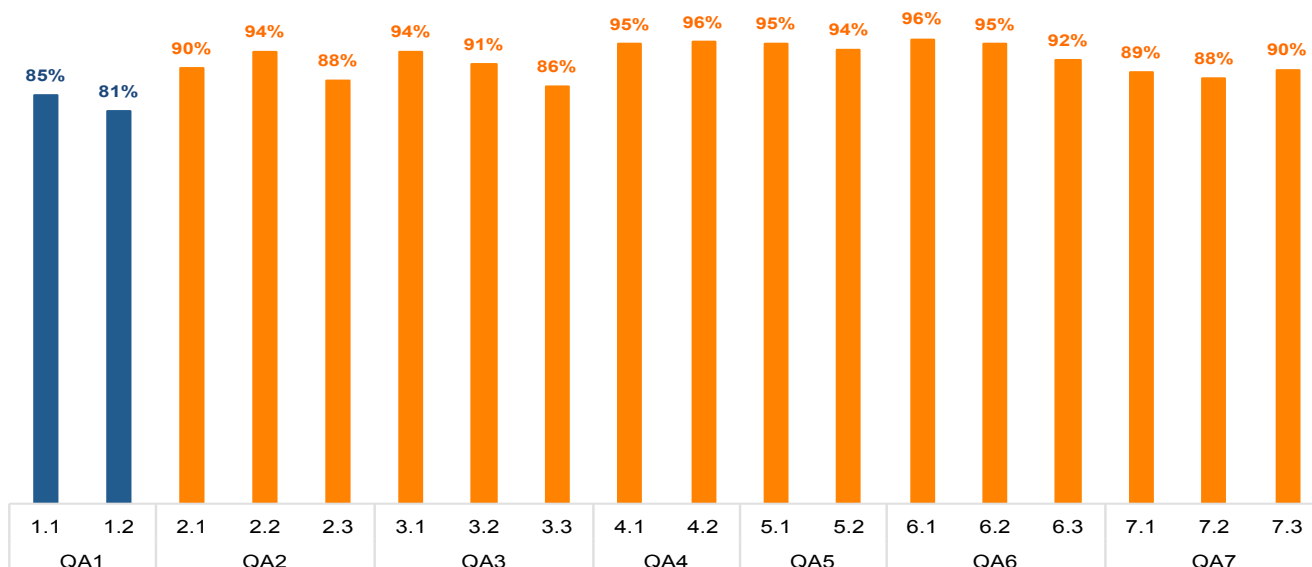
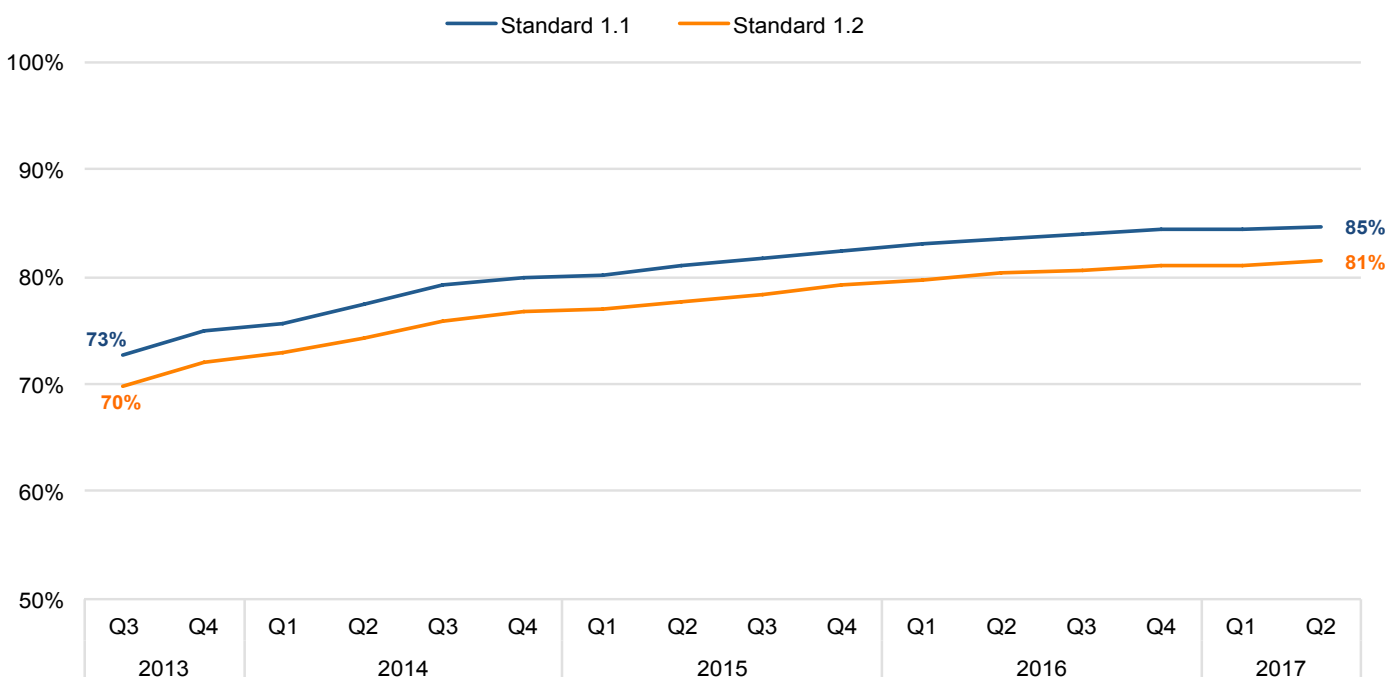


Figure 2.5: Proportion of services rated Meeting NQS or above for Standard 1.1 and 1.2



Quality Area 1 – Elements

Standard 1.1 consists of six elements and Standard 1.2 consists of three elements.

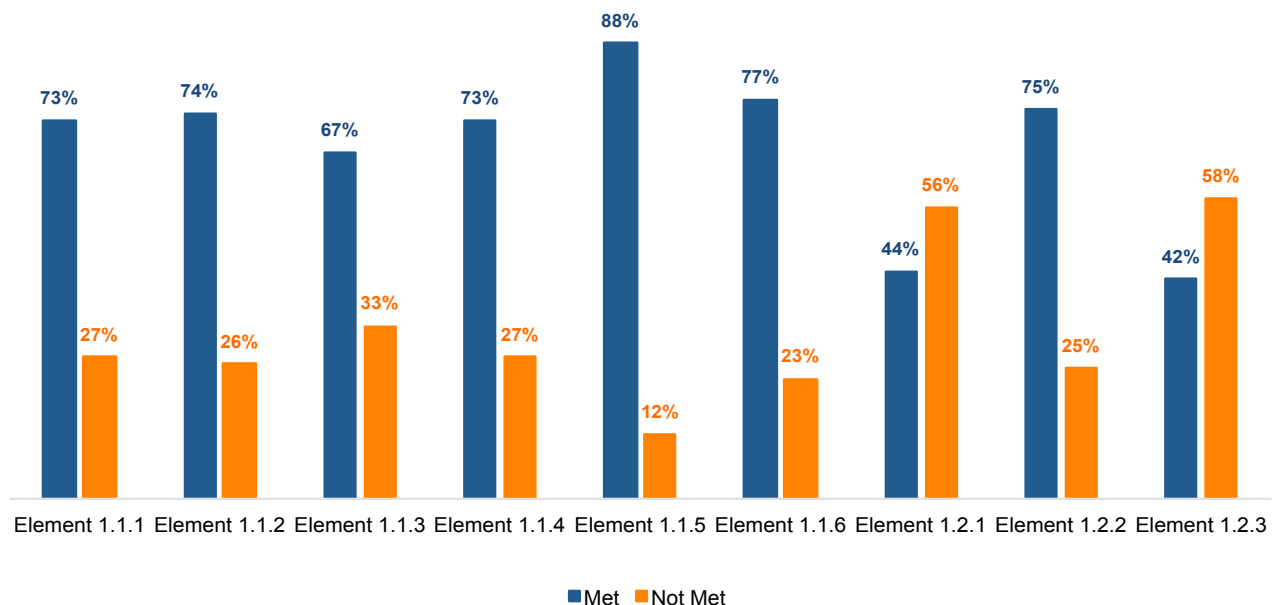
Figure 2.6⁵ shows that, as at 30 June 2017, the elements of Quality Area 1 most likely to be assessed as Met for services rated below Meeting NQS were:

- Element 1.1.5 (Every child is supported to participate in the program); 88%
- Element 1.1.6 (Each child’s agency is promoted, enabling them to make choices and decisions and to influence events and their world); 77%
- Element 1.2.2 (Educators respond to children’s ideas and play and use intentional teaching to scaffold and extend each child’s learning); 75%.

Figure 2.6 also shows that the following elements in Quality Area 1 were the least likely to be assessed as Met for services rated below Meeting NQS:

- Element 1.2.3 (Critical reflection on children’s learning and development, both as individuals and in groups, is regularly used to implement the program); 42%
- Element 1.2.1 (Each child’s learning and development is assessed as part of an ongoing cycle of planning, documenting and evaluation); 44%
- Element 1.1.3 (The program, including routines, is organised in ways that maximise opportunities for each child’s learning); 67%.

Figure 2.6: Proportion of Quality Area 1 elements assessed as Met or Not Met for services rated below Meeting NQS, as at 30 June 2017



5. Only services receiving an overall quality rating of Significant Improvement Required or Working Towards NQS are counted in these calculations as services with an overall quality rating of Meeting NQS, Exceeding NQS or Excellent must have all elements assessed as Met.

Quality improvement

Table 2.2 shows that, as at 30 June 2017, 2419 education and care services have been reassessed. Of these, 69% of services previously rated at Working Towards NQS improved their overall quality rating to Meeting NQS or Exceeding NQS.

These data would suggest that the continuous quality improvement envisioned as part of the NQF is occurring.

69% of services previously rated at Working Towards NQS improved their overall quality rating to Meeting NQS or Exceeding NQS at reassessment.

Table 2.2: Reassessments by overall quality rating

		Rating after reassessment				Total
		Significant Improvement Required	Working Towards NQS	Meeting NQS	Exceeding NQS	
Rating before reassessment	Significant Improvement Required	9	24	6	0	39
	Working Towards NQS	5	553	908	341	1807
	Meeting NQS	0	96	211	143	450
	Exceeding NQS	0	19	25	79	123
Total		14	692	1150	563	2419
		Rating after reassessment				Improvement rate
		Significant Improvement Required	Working Towards NQS	Meeting NQS	Exceeding NQS	
Rating before reassessment	Significant Improvement Required	23%	62%	15%	-	77%
	Working Towards NQS	-	31%	50%	19%	69%
	Meeting NQS	-	21%	47%	32%	32%
	Exceeding NQS	-	15%	20%	64%	-

Figure 2.7 shows the proportion of services previously rated at Working Towards NQS that improved their overall quality rating after reassessment has remained consistent over time, from 67.9% at Q1 2016 to 69.1% at Q2 2017.

As at 30 June 2017, 87% of services that have been reassessed where their previous rating was Working Towards NQS improved their element level performance.

Quality improvement is also evident at the element level. Figure 2.8 highlights improvement (defined as more of the 58 elements of the NQS being assessed as Met at reassessment) for services previously rated at Working Towards NQS.

Figure 2.7: Overall quality rating changes for services that have been reassessed where previous rating was Working Towards NQS

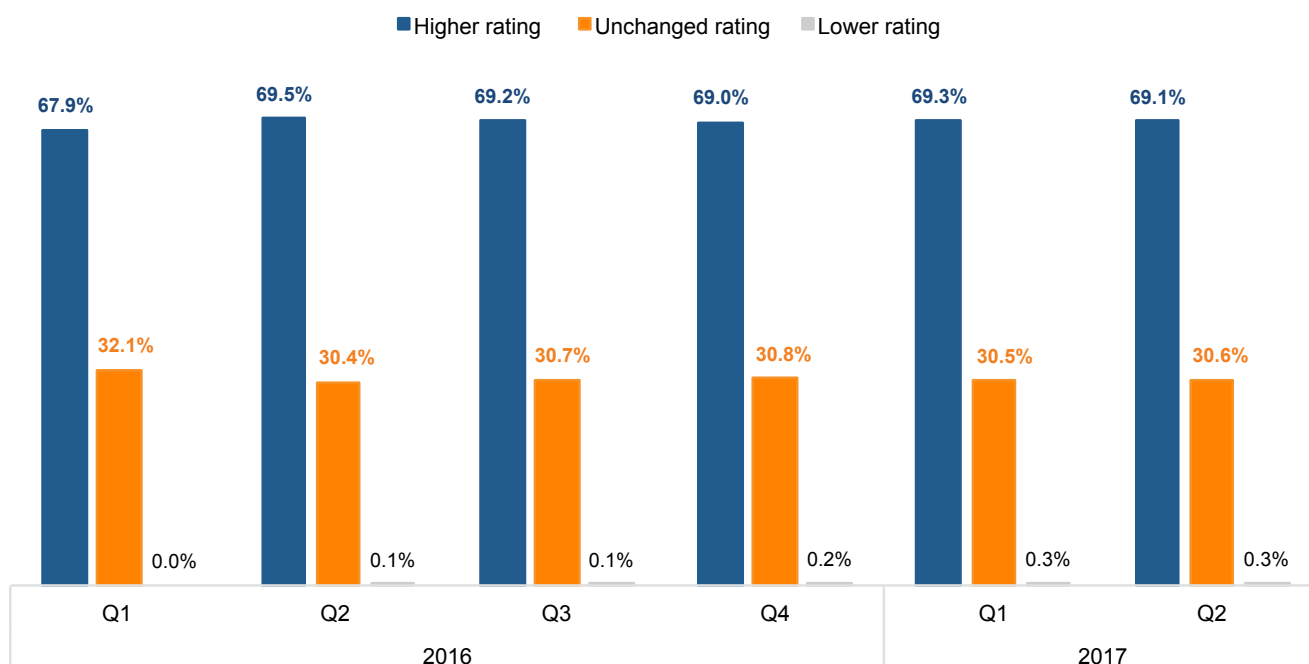
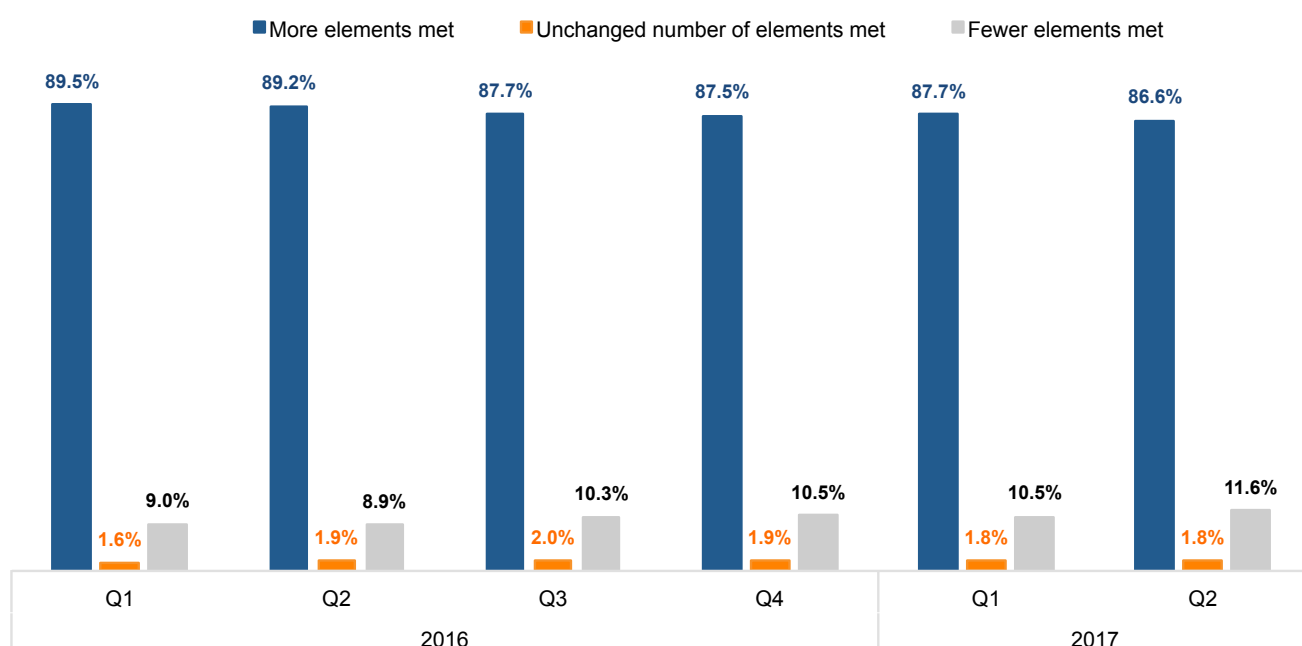


Figure 2.8: Element level improvement for services that have been reassessed where previous rating was Working Towards NQS

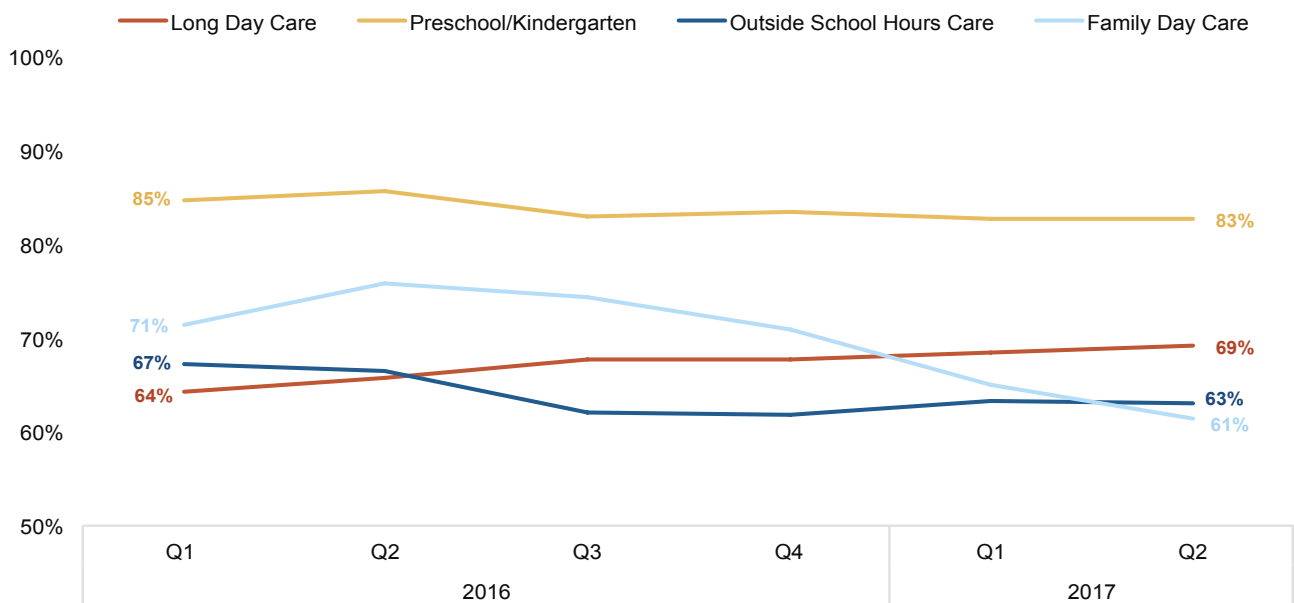


Service type

Figure 2.9 shows that, as at 30 June 2017, preschools/kindergartens that have been reassessed that had a previous rating of Working Towards NQS were most likely to receive a higher overall rating at reassessment. In contrast, family day care services were least likely to receive a higher overall rating at reassessment.

Preschools/kindergartens that had a previous rating of Working Towards NQS were most likely to receive a higher overall rating at reassessment.

Figure 2.9: Proportion of services that received a higher overall rating at reassessment where previous rating was Working Towards NQS, by service type



Current and future research initiatives

In 2017, ACECQA published its Research and Evaluation Strategy and Implementation Plan 2017-2021, which sets out its approach to research and evaluation under the NQF. The strategy outlines ACECQA's role in relation to research and evaluation, and summarises a number of challenges and opportunities in measuring and evaluating the objectives of the NQF.

Based on the experiences of the first six years of the NQF and knowledge of currently available information, ACECQA estimates that measuring and evaluating improvement in the educational and developmental outcomes for children attending education and care services is the most challenging of the NQF objectives.

One of the key challenges associated with this objective is the need to link disparate data sets to track the educational and developmental journey of individual children.

Another challenge is the length of time required before a comprehensive and in depth assessment of educational and developmental outcomes can be made.

For example, almost all education and care services have now been assessed and rated against the NQS, meaning that educational and developmental outcomes data relating to children who attended these services will increasingly become available in 2019 and 2022 through school performance information. However, long term outcomes data will only become available once these children have finished their formal schooling.

As noted in the published strategy, ACECQA intends to undertake research projects examining educational and developmental outcomes in 2019 and 2022. These projects will draw upon a number of data sources, including NQS ratings and the Australian Early Development Census (AEDC), to examine the ongoing effect of high quality early childhood education and care as children progress through formal schooling.

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Chapter 3

Social inclusion and children from vulnerable and disadvantaged backgrounds

Key messages

- One of the outcomes of the National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18 is to facilitate better social inclusion and reduced disadvantage by providing greater access to quality education and care experiences which have been demonstrated to have particular benefits for children from disadvantaged backgrounds.
- This outcome closely relates to the National Quality Framework's objective of improving the educational and developmental outcomes for children attending education and care services.
- According to the Australian Early Development Census, children from the most disadvantaged backgrounds are more likely to be developmentally vulnerable than children from less disadvantaged backgrounds.
- There is strong evidence that children from disadvantaged backgrounds receive the greatest benefits from attending high quality education and care.
- The concept of 'inclusion' is embedded throughout the National Quality Standard (NQS).
- A greater proportion of services in the least disadvantaged areas are rated Exceeding NQS compared to services in the most disadvantaged areas.
- Services in remote and very remote areas are less likely to be rated Meeting NQS or above compared to services in metropolitan and regional areas.
- There is a wide range of state, territory and Commonwealth initiatives aimed at supporting access to education and care services for children from vulnerable and disadvantaged backgrounds.
- There have been recent efforts to provide a more holistic analysis of vulnerability and disadvantage by examining data linkages and endeavouring to combine disparate data sets, each of which are relevant to the educational and developmental journey of children.
- It is also important to ensure that issues affecting children from vulnerable and disadvantaged backgrounds are not exclusively or disproportionately viewed in terms of those children living in remote and very remote areas, with a high number of developmentally vulnerable and socio-economically disadvantaged children living in metropolitan areas.

Overview

One of the outcomes of the National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18 is to facilitate better social inclusion and reduced disadvantage by providing greater access to quality education and care experiences which have been demonstrated to have particular benefits for children from disadvantaged backgrounds. This outcome closely relates to the National Quality Framework's (NQF's) objective of improving the educational and developmental outcomes for children attending education and care services (see Chapter 2 for more information).

The approved learning frameworks define 'inclusion' as:

'taking into account all children's social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, family circumstances and geographic location) in program decision-making processes... to ensure that all children have equitable access to resources and participation, and opportunities to demonstrate their understandings and to value difference.'¹

Principles relating to inclusion in education can be found in the *UN Convention on the Rights of the Child* (Articles 28 and 29),² which recognises the inherent dignity and the equal and inalienable rights of all children, and more specifically individuals with a disability in the *UN Convention on the Rights of Persons with Disability* (Article 24).³

Non-inclusive education and care prevents children from accessing opportunities to learn and develop on the basis of their attributes or economic, social or physical disadvantages. To ensure that all children benefit from

education and care, providers, educators and coordinators should take into consideration 'children's social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, family circumstances and geographic location)' in all aspects of their service provision.⁴

There is strong evidence that children from disadvantaged backgrounds receive the greatest benefits from attending high quality education and care.⁵ The pronounced effect of education and care on children from disadvantaged backgrounds is often explained by its use as an early intervention strategy⁶ which reduces the increased risk of developmental vulnerability stemming from social disadvantage.

If developmental vulnerability is not addressed in the periods from birth to school age (which constitute 'uniquely sensitive periods' in the development of the brain),⁷ it becomes more difficult and expensive to address at later stages of development.⁸

Beyond promoting social justice and equity, there is a large body of cost benefit literature which shows that quality early education yields higher returns for children from disadvantaged backgrounds⁹ and that the accrued benefit is greater than the cost of early interventions.

There is strong evidence that children from disadvantaged backgrounds receive the greatest benefits from attending high quality education and care.

1. Australian Government (2009a), p. 24; Australian Government (2009b), p. 22.

2. United Nations (1989).

3. United Nations (2006).

4. ACECQA (2013), p. 32.

5. Collins et al. (2000); Elliot (2006); Lynch (2005); Magnuson et al. (2004); Mukherjee (1999); Sylva et al. (2009), as cited in Hewitt & Walter (2014), p. 42.

6. Melhuish, E. (2004).

7. AIWH (2015), p. 17.

8. Biddle (2007, 2010); Biddle & Seth-Purdie (2013); Feinstein (2003) as cited in AIWH (2015), p. 17.

9. Heckman & Masterov, 2004; Heckman, 2006, as cited in AIWH(2015), p. 3.

Children from vulnerable and disadvantaged backgrounds

Research in preschool/kindergarten settings has found that children living in low socio-economic status areas, children with a disability, Aboriginal and Torres Strait Islander children, children living in remote and very remote areas, and children who are not proficient in English are more likely to be developmentally vulnerable and to benefit from high-quality education and care than other children.¹⁰

The Australian Early Development Census (AEDC) is a nationwide data collection which examines early childhood development at the time children commence their first year of full time school. The AEDC is conducted every three years and involves teachers of children in their first year of full-time school completing the Early Development Instrument.

The instrument collects data relating to five domains of early childhood development which have been shown to predict later health, wellbeing and academic success. The five domains are:

- Physical health and well being
- Social competence
- Emotional maturity
- Language and cognitive skills
- Communication skills and general knowledge.

The 2015 AEDC found that:

- 22% of children in Australia were developmentally vulnerable on one or more domains. This was the same as in 2012 and a decrease from 2009 (24%)
- 47% of children living in very remote areas were developmentally vulnerable on one or more domains, compared to 21% of children living in major cities

- 33% of children living in the most socio-economically disadvantaged communities in Australia were developmentally vulnerable, compared to 16% in the least socio-economically disadvantaged communities
- 42% of Aboriginal and Torres Strait children were considered developmentally vulnerable on one or more domains, compared to 21% of non-Indigenous children
- 59% of children with a language background other than English and who were not proficient in English were developmentally vulnerable in two or more domains, compared to 11% of children overall.

Research has found that the aforementioned groups are less likely to participate in education and care than their peers from other groups.¹¹ However, several recent analyses have found that the proportion of children in certain vulnerable groups who are enrolled in education and care services has increased in recent years.¹² This may be a result of investment in universal access and/or targeted efforts to increase enrolment in these groups.

The research indicates that the relationship between developmental outcomes and attendance in education and care programs is complex and multifaceted.¹³ The provision of education and care to improve developmental outcomes for children from disadvantaged backgrounds and/or those who are at a risk of developmental vulnerability involves the consideration of a range of factors including (but not limited to):

- the proportion of children in these groups accessing education and care
- the number of hours they attend the service
- the quality of the service and the type and effectiveness of interventions they receive.

10. Baxter & Hand (2013); Hewitt & Walter (2014) as cited in AIWH (2015), p. VI.

11. Baxter & Hand (2013), as cited in AIHW (2015), p. 17.

12. For example, preschool enrolments have increased in remote areas in recent years (Hewitt & Walter, 2014, p. 49; NSW Department of Education, 2017, p. 6).

13. AIHW (2015), p. vi.

Social inclusion in the National Quality Standard

The National Quality Standard (NQS) contains both explicit and implicit references to inclusion. There are two explicit references:

- Element 6.3.3 (Access to inclusion and assistance support is facilitated)
- Standard 3.2 (The environment is inclusive, promotes competence, independent exploration and learning through play).

Several elements implicitly refer to inclusion by referring to ‘every child’, ‘each child’ and/or participation.

While language and concepts related to inclusion are embedded throughout the NQS, the below analysis focusses on two elements most directly related to inclusion:

- Element 6.3.3 (Access to inclusion and assistance support is facilitated)
- Element 1.1.5 (Each child is supported to participate in the program).

Language and concepts related to inclusion are embedded throughout the NQS.

Element analysis

Table 3.1 shows that a very high proportion of services meet Element 6.3.3. However, the performance of the family day care sector has deteriorated over the past four years.

In 2016/17, 80% of all family day care services with a quality rating met Element 6.3.3, compared to 95% of all family day care services with a quality rating in 2013/14.

This marked decline in performance may reflect the fact that the initial focus of state and territory regulatory authorities tended to be on the assessment and rating of more well established services, with the focus subsequently switching to newer, less established services. The latter cohort of family day care services appear to find the requirements of Element 6.3.3 more challenging.

The performance of preschools/kindergartens and outside school hours care services against Element 6.3.3 has remained very stable over the past four years, and the performance of long day care services has slightly increased.

One possible reason for preschools/kindergartens performing better against this element is that they fall within the scope of the 2005 Disability Standards for Education.¹⁴ Furthermore, preschools/kindergartens tend to perform better than other service types against the NQS in general, as well as against the elements that display a high level of agreement with Element 6.3.3.

Table 3.1: Proportion of services assessed as Met for Element 6.3.3, by service type¹⁵

Financial year	Long day care	Preschool/ Kindergarten	Outside school hours care	Family day care	All services
2013/14	96.9%	99.3%	96.4%	95.1%	97.3%
2014/15	97.4%	99.4%	97.0%	91.2%	97.6%
2015/16	97.8%	99.6%	96.4%	88.0%	97.5%
2016/17	97.8%	99.7%	96.2%	80.1%	97.0%

14. Australian Government (2005).

15. Figures represent cumulative totals as at 30 June of each financial year.

These elements are all found in Quality Area 6 which focuses on collaboration with families and communities. For example, preschools/kindergartens (99.7% Met) perform very well against Element 6.3.1 (Links with relevant community and support agencies are established and maintained), compared to long day care (96.4% Met), outside school hours care (93.1% Met) and family day care (79.4% Met) services. **Table 3.2** shows that the proportion of services that meet Element 1.1.5 has increased over the last four financial years. This has also been the case for each of the service types, except for family day care where the proportion of services meeting this element has decreased by six percentage points since 2013/14.

This reflects a broader trend for Quality Area 1 (Educational program and practice) where the proportion of family day care services rated Meeting NQS or above has decreased over time, while the proportions for the other service types have increased (see Chapter 2 for more information).

It may also indicate that some individual family day care educators do not receive the same level of support to meet this element or Element 6.3.3 as educators in centre-based services.

The overall performance for Element 1.1.5 is much higher than the performance for any of the other elements in Quality Area 1. The next highest performing element is Element 1.1.6 (Each child’s agency is promoted, enabling them to make choices and decisions and influences events and their world), with 94% of services meeting this element.

Table 3.2: Proportion of services assessed as Met for Element 1.1.5, by service type¹⁶

Financial year	Long day care	Preschool/ Kindergarten	Outside school hours care	Family day care	All services
2013/14	93.7%	98.7%	94.7%	96.4%	95.2%
2014/15	94.7%	99.0%	96.4%	94.7%	96.1%
2015/16	95.6%	99.2%	96.4%	94.8%	96.6%
2016/17	96.2%	99.3%	96.7%	90.4%	96.7%

16. Figures represent cumulative totals as at 30 June of each financial year.

SEIFA analysis

Socio-Economic Indexes for Areas (SEIFA) is a product developed by the Australian Bureau of Statistics that ranks areas according to socio-economic advantage and disadvantage based on census data. Variables used cover a number of areas including household income, education, employment, occupation, housing and other indicators of advantage and disadvantage. The analysis below compares the performance of centre-based services¹⁷ in the most and least disadvantaged areas of Australia (SEIFA quintiles 1 and 5, respectively).

Figure 3.1 shows that 74% of services in the most disadvantaged areas of Australia (SEIFA quintile 1) were rated Meeting NQS or above as at 30 June 2017, compared to 76% of services in the least disadvantaged areas (SEIFA quintile 5). A notably larger proportion of services in SEIFA quintile 5 (37%) were rated Exceeding NQS compared to services in SEIFA quintile 1 (30%).

Figure 3.2 shows that proportionally fewer services in the most disadvantaged areas (SEIFA quintile 1) were rated Exceeding NQS for all seven quality areas when compared to services in the least disadvantaged areas (SEIFA quintile 5).

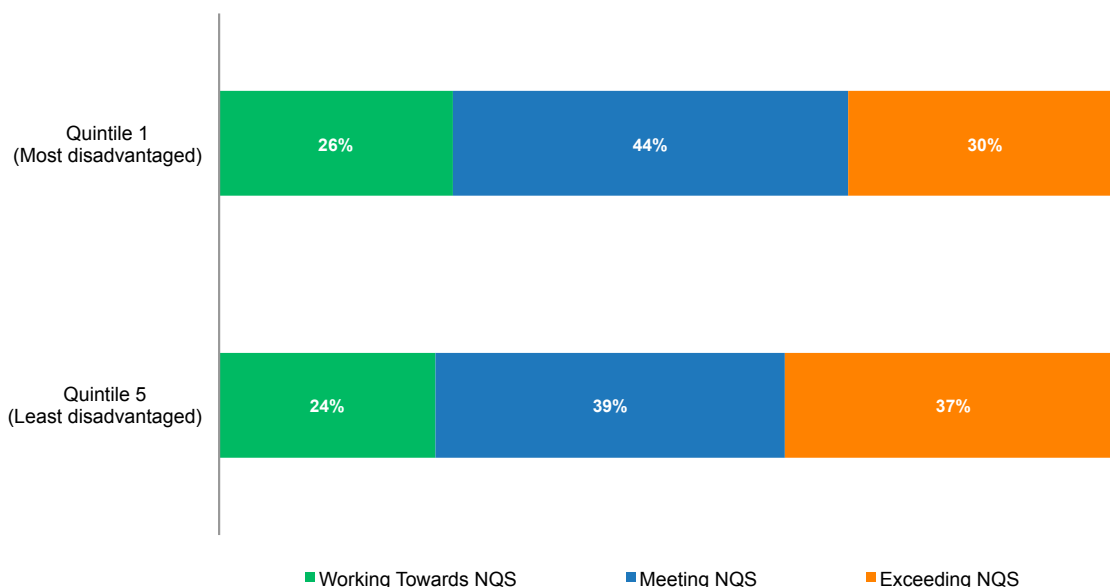
The greatest differences relate to Quality Area 1 (Educational program and practice), Quality Area 3 (Physical environment), Quality Area 4 (Staffing arrangements) and Quality Area 7 (Leadership and service management), all of which displayed a difference of seven percentage points between SEIFA quintile 1 and 5. The smallest difference (two percentage points) relates to Quality Area 6 (Collaborative partnerships with families and communities).

Figure 3.3 shows that proportionally fewer services in the most disadvantaged areas (SEIFA quintile 1) were rated Meeting NQS or above when compared to services in the least disadvantaged areas (SEIFA quintile 5) across all three centre-based service types.

In terms of the proportion of services rated Exceeding NQS, all three centre-based service types also performed better in the least disadvantaged areas when compared to the most disadvantaged areas. For preschools/ kindergartens, the difference was 18 percentage points.

At the quality area level, the greatest difference in the proportion of preschools/kindergartens rated Exceeding NQS was in Quality Area 1 (Educational program and practice) and Quality Area 7 (Leadership and service management), where there was a difference of 20 percentage points between services in SEIFA quintiles 1 and 5.

Figure 3.1: Overall quality ratings of centre-based services by SEIFA quintiles 1 and 5, as at 30 June 2017¹⁸



17. Family day care services are excluded from this analysis as their approval is not specific to one location.

18. Excludes services rated Excellent or Significant Improvement Required as they account for <1%.

Figure 3.2: Quality area ratings of centre-based services by SEIFA quintiles 1 and 5, as at 30 June 2017

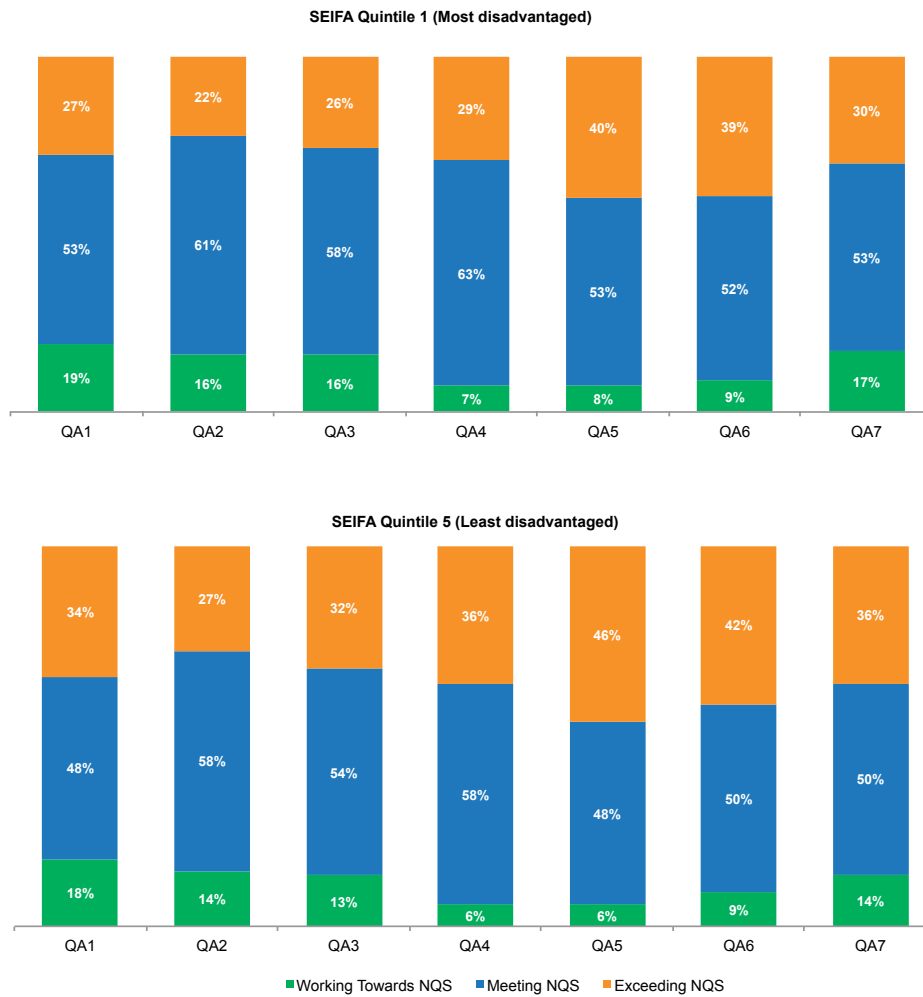
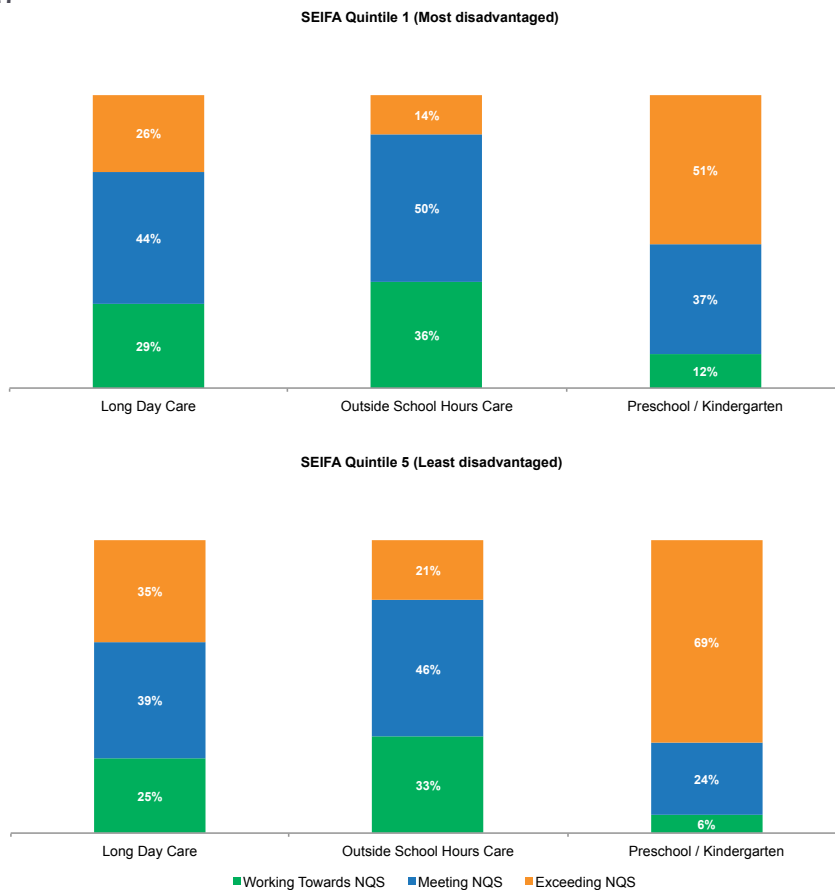


Figure 3.3: Overall quality ratings of centre-based services by SEIFA quintiles 1 and 5 and service type, as at 30 June 2017



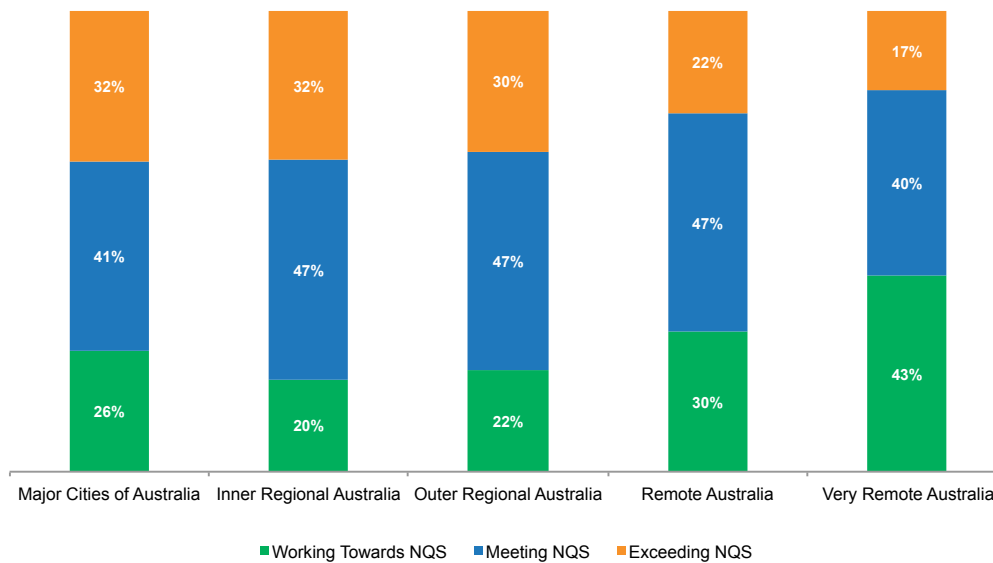
Remoteness classification

Figure 3.4 presents the distribution of centre-based services' quality ratings according to the Accessibility/Remoteness Index of Australia (ARIA+).

As at 30 June 2017, services in Very Remote areas were the least likely to be rated Meeting NQS or above (57%), followed by those in Remote areas (70%).

Recruiting and retaining suitably experienced and qualified staff can be a significant ongoing challenge for remote and very remote services.

Figure 3.4: Overall quality ratings of centre-based services by ARIA+ classification, as at 30 June 2017¹⁹



The issues that affect quality in remote and very remote education and care settings have been covered extensively in recent literature.²⁰ These factors relate predominantly to barriers in recruiting and retaining suitably experienced and qualified staff, and delivering professional development to staff in remote and very remote areas.²¹

It is also worth noting that Very Remote areas are more commonly areas of high disadvantage than other geographic classifications. Very Remote areas had the highest proportion of services in SEIFA quintile 1 (56%), compared to Major Cities (17%), Inner Regional (35%), Outer Regional (44%) and Remote areas (42%).

Comparing services in Remote and Very Remote areas to all services nationally by service type, there is a noticeable difference in

the performance of services in particular types. Most notably, 54% of preschools/kindergartens in Very Remote areas were rated Meeting NQS or above, compared to 91% of preschools/kindergartens nationally (a difference of 37 percentage points).

Furthermore, a smaller proportion of preschools/kindergartens in Remote (27%) and Very Remote (16%) areas were rated Exceeding NQS, compared to all preschools/kindergartens nationally (58%).

For each of the three centre-based service types, higher proportions of services in Remote and Very Remote areas were rated below Meeting NQS, compared to nationally.

19. Family day care services are excluded from this analysis as their approval is not specific to one location.

20. NSW Department of Education (2017), p. 8.

21. NSW Department of Education (2017); ACECQA (2017a), p. 5.

Supporting access for children from vulnerable or disadvantaged backgrounds

Under the National Partnership Agreement on Universal Access to Early Childhood Education, all Australian children can access at least 15 hours of an NQF-approved preschool/ kindergarten program per week (or 600 hours per year) in the year before starting school.

Commencing in 2017/18, the Australian Government's Community Child Care Fund (CCCF) offers the opportunity for services to apply for funding to improve access to education and care, particularly for children from disadvantaged communities.

It includes specific funding available to Budget Based Funded (BBF) services²² through a restricted, non competitive grant process to support them to increase the participation of Aboriginal and Torres Strait Islander children in education and care.

Through its *Connected Beginnings* component, the CCCF also supports the integration of education and care, maternal and child health, and family support services with schools in a number of Aboriginal and Torres Strait Islander communities experiencing disadvantage. This component recognises the effectiveness of integrating community services to improve support for children and their families in the critical period before and during children's transition to school.²³

The Inclusion Support Programme (ISP) provides services with customised inclusion advice and support from contracted inclusion agencies to enable children with additional needs to access and participate fully in education and care programs. It also provides funding to services to address barriers to participation.

Furthermore, the National Disability Insurance Scheme (NDIS) funds early intervention supports aimed at improving, or preventing

the deterioration of, the functional capacity of children with a disability. It also funds individualised supports to enable children with significant and complex care needs to attend education and care services.

A key difference of the NDIS from previous funding models is that it provides 'choice and control'²⁴ to children with additional needs and their families in how they use the funding they receive in their NDIS package.

Beyond these initiatives, the Australian, state and territory governments operate and fund a diverse and extensive range of programs, policies, strategies and practices to support children from vulnerable and disadvantaged backgrounds to access education and care.

Some of these include:

- Funding for two years of early childhood education in community preschools for children from low income and Aboriginal backgrounds (NSW)
- Early Intervention Learning Hub (NT)
- Disability Inclusion Support for Queensland Kindergartens
- Access to Early Learning Program (Victoria)
- Working Together for Three-Year-Olds – Targeted preschool initiative (currently under development in Tasmania)
- Child and Parent Centres (WA).

And a number are specifically targeted at supporting the learning and development of Aboriginal and Torres Strait Islander children. Examples include:

- Families as First Teachers program (NT)
- Deadly Kids, Deadly Futures – Aboriginal and Torres Strait Islander Child Ear and Hearing Health Framework (Queensland)
- Aboriginal Family Literacy Strategy (SA)
- Early Start Kindergarten – Aboriginal and Torres Strait Islander Children (Victoria)
- Speech and Language Centre out-reach program (WA).

22. A range of service types are funded under the BBF program including crèches, mobile services, multifunctional Aboriginal children's services, and outside school hours care. Services funded under the BBF program are out of scope of the NQF.

23. Commonwealth of Australia (2017), p. 30.

24. Pierce (2017).

Peak and professional organisations have collaborated with a range of sector and government stakeholders to deliver inclusion initiatives. For example, Early Childhood Intervention Australia (NSW/ACT), in collaboration with Early Childhood Australia NSW, the ISP, ACECQA and ECEC intervention practitioners, developed the Working Together Agreement²⁵ – a package of resources for families, educators and ECEC inclusion professionals to collaboratively plan partnerships.

ACECQA also partnered with the Victorian Inclusion Agency and regulatory authority to deliver inclusion expos across six locations in Victoria during May and June 2017. The expos highlighted the importance of services proactively implementing inclusive strategies and building educators' knowledge, skills and capacity. The expos also emphasised the support available through the ISP.

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Chapter 4

Families' and general public knowledge and access to information about education and care service quality

Key messages

- The National Quality Framework (NQF) aims to improve public knowledge and access to information about the quality of education and care services, with the quality rating assessment against the National Quality Standard (NQS) being an integral part of making information publicly available.
- Two pieces of research conducted in 2014 by the Australian Government and ACECQA suggested that there was limited awareness of the NQF among families.
- ACECQA conducted further families research between May and July 2017 using two main methods for data collection: a nationally representative survey (*panel sample*) and two supplementary surveys (*generic sample* and *large provider sample*).
- In the *panel sample* there was a moderate level of awareness of the quality rating system (40%). Of those who were aware of the quality rating system, more than half (54%) knew the quality rating(s) of the service(s) that they use or intend to use.
- Higher levels of awareness were seen in families who are using one or more education and care services, while lower levels of awareness were seen in families using outside school hours care services.
- 'Word of mouth' was the most popular method to find information about education and care services, followed by 'websites'.
- In the *panel sample*, 'location/accessibility', 'cost/affordability' and 'reputation of the service and its provider' were the most important factors to families when choosing an education and care service.
- The factors of most importance to families changed according to different sample characteristics. For families using long day care and outside school hours care services, 'location/accessibility' was the most important factor, whereas a 'high quality early learning program' ranked as the most important factor for families using preschools/kindergartens, and 'cost/affordability' was the most important factor for families using family day care services.
- The 'quality rating of service against the NQS' was the least important factor to families when choosing a service. However, when asked to detail other factors that influence their choice, respondents listed several factors that are all encompassed within the quality rating assessment against the NQS.
- The recent families research suggests that there continues to be a need for further engagement and communications with families about the NQF.

Overview

One of the objectives of the National Quality Framework (NQF) is to improve public knowledge and access to information about the quality of education and care services. All governments and ACECQA are committed to helping families and the wider community understand the importance of high quality education and care, including the benefits accrued through attendance at high quality services.

There is a large body of evidence which shows that children whose parents are engaged in their learning¹ have improved levels of academic achievement, wellbeing and productivity, and that parental engagement in children's learning is a more reliable predictor of children's educational attainment than socio-economic status.²

Various international bodies enshrine parental involvement in young children's education as a fundamental right and obligation.³ The central role of families in their children's learning, development and wellbeing is acknowledged in the NQF's foundation documents, which recognise the critical role of families as children's first educators and the people who have the most direct influence on young children.

With this in mind, researchers and communications experts have been working to understand the best ways to communicate with parents, carers and the community about early childhood development to influence their interactions with children to maximise early childhood outcomes.

The role that quality plays in parents' decision-making around education and care services has been the focus of much international and Australian research. A recent report⁴ on the

Household, Income and Labour Dynamics in Australia (HILDA) Survey highlighted difficulties parents or guardians face with child care. Within this study, education and care service availability was the most common challenge reported by parents, ahead of challenges relating to cost and quality.

These results correspond with findings from pilot study research conducted in 2014⁵ which found the main factors parents considered in the service choice process included accessibility, the 'feel' of a service, convenience and affordability. Focus groups revealed that the service choice process of parents is often ad hoc and lacking reference to external advice – for instance, there were no mentions of use of the MyChild or ACECQA websites, or any other government communications.

Similarly, research commissioned by the Australian Government in 2014⁶ found that families placed importance on factors such as availability, proximity, opening hours and the 'feel' of the service.

The 2014 research also found that notions of quality are influenced by the age of the child and the service context. For example, for younger children, parents place an emphasis on care and nurturing, and meeting developmental milestones. In contrast, for older children approaching school age, parents emphasise the skills and behaviours required to make a successful transition to formal schooling. The research also found that many parents saw outside school hours care services as quite distinct from other types of education and care.⁷

Other research evidence suggests that, 'generally, parents do not undertake the childcare choice process as informed consumers. Instead, parents can overestimate the standard of quality provided, or not know how to assess the quality of the services they are considering or using for their child'.⁸

1. OECD (2006), p.241.

2. Monti, J.D., et al. (2014).

3. See, for example: OECD (2001), UNICEF (2008a). This is reinforced through the *United Nations Convention on the Rights of the Child* (1990), Articles 5 and 18.

4. Melbourne Institute: *Applied Economic & Social Research* (2017), pp.25-26.

5. Hall & Partners (2014).

6. Woolcott Research and Engagement (2014).

7. Hall & Partners (2014), p.4.

8. Fenech, M. & Degotardi, S. (2015), p.17.

The OECD note that it can be challenging to motivate parents to engage in their children’s education and care for a number of reasons, including lack of awareness about the importance of parental involvement, lack of available time and insufficient incentives for parents to become involved. They suggest a range of options to tackle challenges in engaging families, including ‘assessing and evaluating family engagement’ and ‘ensuring that parents can make informed choices in market-oriented services’.⁹

Family and community engagement

Under the National Partnership Agreement,¹⁰ governments and ACECQA have a shared responsibility to educate and engage with the general public about the NQF. Parental engagement forms a central part of the NQS through Quality Area 6, which obliges services to form collaborative partnerships with parents and communities.

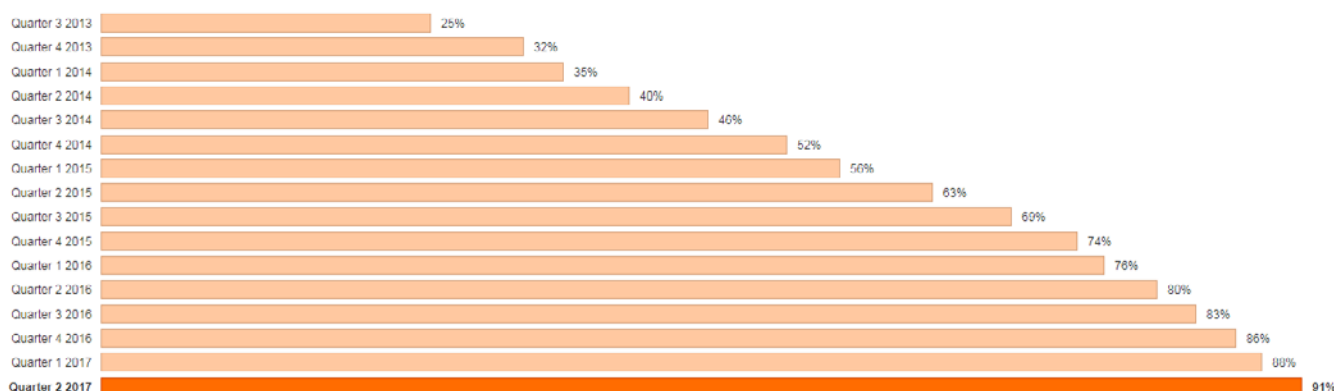
Engaging with and informing families and communities about the importance of quality education and care for children is a strategic priority for ACECQA. This aligns with ACECQA’s statutory function ‘to support parents and the community in understanding quality in relation to education and care services’.

Since 2012, ACECQA has undertaken communications with families to promote the benefits of early learning and the importance of the NQF and the NQS. Information about the quality of education and care services is published in the national registers on the ACECQA website, on the Australian Government’s MyChild website, and in quarterly NQF Snapshot reports produced by ACECQA.

As highlighted in the Q2 2017 NQF Snapshot report, 91% (14,106 services) of the 15,546 education and care services under the NQF have a quality rating as at 30 June 2017 (see **Figure 4.1**). This is a notable increase from 80% of services a year before, and 63% of services two years before.

It is important to note that a proportion of services will only recently have been approved under the NQF and may not have started operating, or may have only been operating for a short period of time. In general, state and territory regulatory authorities will not quality assess and rate newly approved services that have been operating for less than 12 months. Therefore, the proportion of services with a quality rating will not reach 100% at any time. When services approved for less than 12 months are removed from the figures, the proportion of services with a quality rating rises to 95%.

Figure 4.1: Proportion of NQF services with a quality rating



9. OECD (2012), pp.242-284.

10. COAG (2016).

Previous families research under the NQF

The 2014 research found that there was limited awareness of the NQF and provided some preliminary advice on engaging with families.

Parents sampled in the pilot study commonly confused the NQF with other more general quality regimes (including occupational health and safety). Language used to describe the NQF and NQS was identified as a significant barrier to engagement.

The pilot study also revealed some sensitivity and resistance from parents to language that promotes formal education or learning for children under kindergarten age or those attending outside school hours care. However, in focus groups, parents identified positively with terms such as ‘play-based learning’, ‘learning through play’ and ‘development’.

Parents reported that quality ratings, even if known and understood, may not influence their behaviour, except in the instance of an outright fail (for instance, a rating of Significant Improvement Required). They did, when prompted, suggest that ratings would be useful when selecting a service for a first child attending an education and care service or if they were new to an area. This would however be dependent on having a choice of services.

In response to these research findings, ACECQA launched a website aimed at families called ‘[Starting Blocks](#)’. The website is primarily aimed at new families looking for education and care services for the first time, identified as the most appropriate target audience by the 2014 pilot study.

States and territories and the Australian Government have also implemented a range of initiatives to facilitate access to information for parents.

Language used to describe the NQF and NQS can present a barrier to parent engagement.

ACECQA families research (2017)

In 2017, ACECQA conducted further research with families in the form of an online survey to understand more about the factors families consider when choosing an education and care service for their child and the information they use to make their decision. The research also offered an opportunity to check whether there had been an increase in understanding about the NQF since 2014.

Survey method

ACECQA used two main methods for data collection:

- **Nationally representative survey (*panel sample*)** – distributed to a nationally representative sample of families from an online panel provided by an external sample provider, using a longer form survey instrument
- **Supplementary surveys (*generic sample and large provider sample*)** – designed to ‘top up’ the *panel sample* and increase the reach of the survey. The supplementary surveys included:
 - **Generic sample** – distributed to families via partner organisations, as well as on the ACECQA and Starting Blocks websites and social media pages, using a longer form survey instrument
 - **Large provider sample** – distributed to existing users of large provider services via SurveyMonkey, using a shorter form survey instrument.

Key findings

The following section reports on the findings from both the nationally representative survey (*panel sample*) and the supplementary surveys (*generic sample and large provider sample*). The main results reported are from the *panel sample*, given that it is a nationally representative sample.

Respondent profile

The *panel sample* received a total of 2511 responses. The distribution of the sample by state/territory of residence broadly reflects the distribution of the population of families using education and care services in each state and territory, with New South Wales, Victoria and Queensland representing the largest share of the sample (79%).

The *generic sample* received a total of 1657 responses, with a slight overrepresentation of families in New South Wales (35%) and a slight underrepresentation of families in Victoria (20%).

The *large provider sample* received a total of 13,215 responses from families who are existing users of services provided by some of the largest providers in the country.

The panel sample received 2511 responses, the generic sample received 1657 responses and the large provider sample received 13,215 responses.

Service use

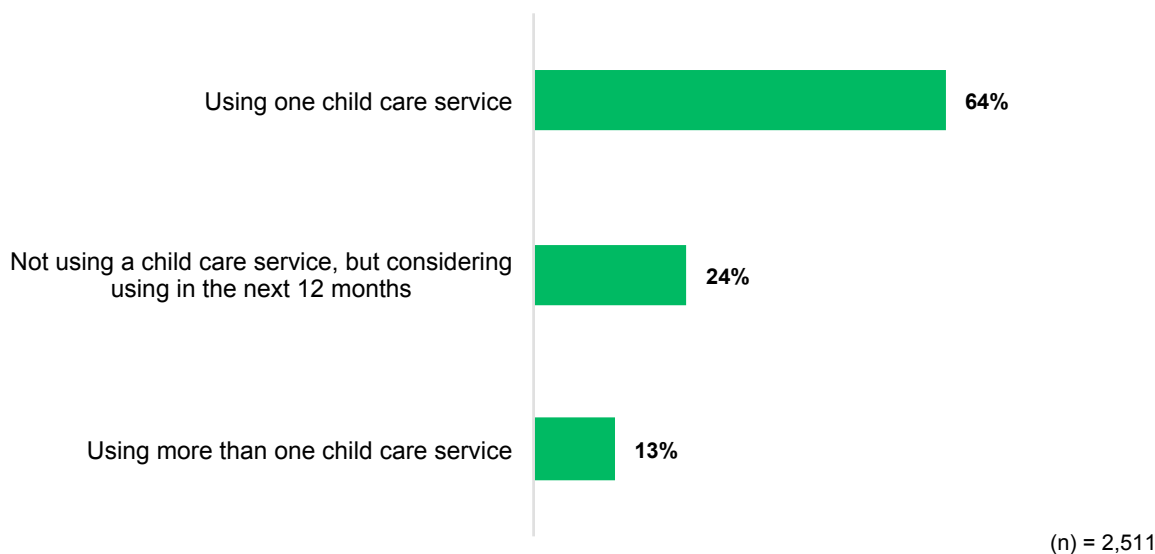
As can be seen in **Figure 4.2**, more than three quarters of the *panel sample* (76%) were using one or more education and care services. Almost two thirds of these (64%) were using one education and care service.

A higher proportion of families in the *generic sample* were using one or more education and care services (93%) compared to the *panel sample*, and a higher proportion of families in the *generic sample* also reported using one education and care service (73%).

The *panel sample* contained a good spread of families using different service types, with 41% of families in the sample using an outside school hours care service, 35% using a preschool/kindergarten, 34% using a long day care service and 23% using a family day care service (see **Figure 4.3**).

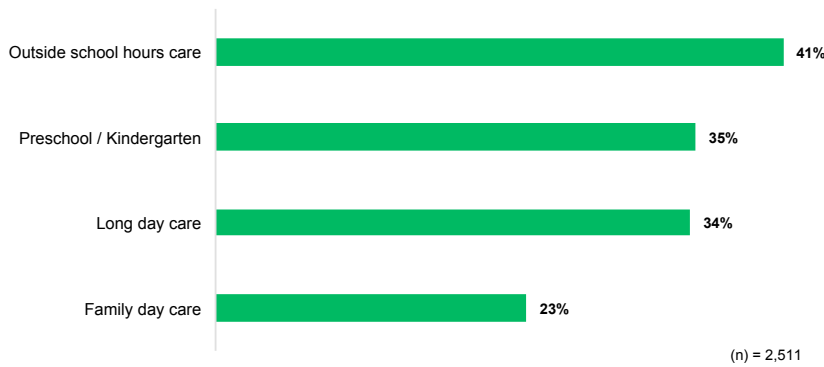
The *generic sample* contained higher proportions of families using long day care services (60%), and lower proportions of families using preschools/kindergartens (30%), outside school hours care services (30%) and family day care services (15%).

Figure 4.2: Service use – panel sample¹¹



11. Due to rounding, individual values may not add to 100%.

Figure 4.3: Type of service used – panel sample¹²

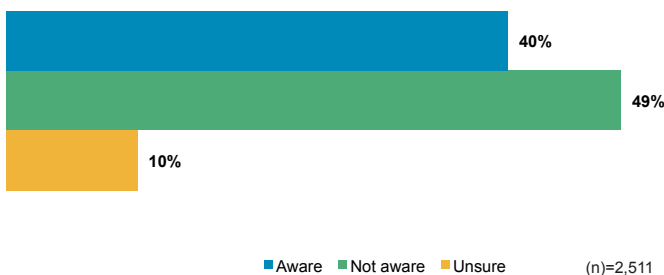


Forty per cent of respondents to the panel sample were aware of the quality rating system.

Awareness of quality rating system and service quality ratings

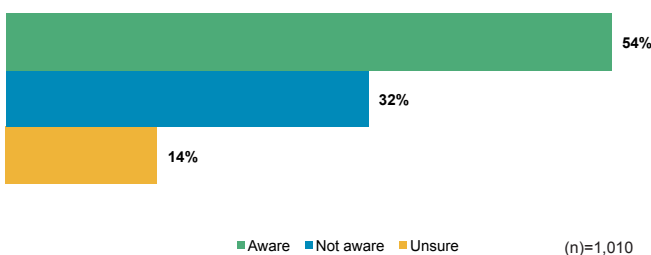
Of the 2511 families in the *panel sample*, 40% (or 1010) were aware that education and care services are rated, and given an overall quality rating, while 49% (or 1238) were not aware and a further 10% (or 263) were unsure (see **Figure 4.4**).

Figure 4.4: Families' awareness of the quality rating system – panel sample



Of the 1010 families who were aware that education and care services are rated, and given an overall quality rating, more than half (54%) knew the quality rating(s) of the service(s) that they used or intended to use (see **Figure 4.5**).

Figure 4.5: Families' awareness of service quality rating – panel sample



Levels of awareness were generally higher in the other two samples. For example, almost three quarters (74%) of respondents in the *generic sample* and over half (53%) of the respondents in the *large provider sample* were aware of the quality rating system (see **Table 4.1**).

Table 4.1: Number and proportion of families who are aware of quality rating system

Sample	Number	Percentage
Panel	1010	40%
Generic	1225	74%
Large provider	6959	53%

These results in part reflect the different distribution methods used for each of the surveys. The *generic sample* survey was distributed via the ACECQA and Starting Blocks websites, social media channels, and partner organisations. Respondents may therefore have a certain level of prior knowledge about the NQF and NQS.

Similarly, a higher proportion of respondents in the *generic sample* (69%) were aware of the quality rating(s) of the service(s) they use compared to respondents in the *panel sample* (54%).

Interestingly, a lower proportion of the *large provider sample* indicated that they know the quality rating(s) of the service(s) they use. This result is largely driven by families who are using outside school hours care services, where levels of awareness are lower than for families using other service types (see **Table 4.2**).

Table 4.2: Number and proportion of families who are aware of service quality rating

Sample	Number	Percentage
Panel	546	54%
Generic	848	69%
Large provider	2423	35%

The level of awareness in the *panel sample* was analysed according to other sample characteristics to determine if there were any notable differences.

Higher levels of awareness were seen in families who were using one or more education and care services, compared to families who were not using but considering using an education and care service in the next 12 months. Lower levels of awareness were seen in families using outside school hours care services, compared to families using other service types.

Information sources and resources

A high proportion of families in the *panel sample* (71%) relied on ‘word of mouth’ to help them find out more about the service(s) they

used, or were considering using in the next 12 months (see **Figure 4.6**).

Other sources used by families included websites (45%), social media (29%) and print advertising (14%). Similar results were evident in the other surveys.

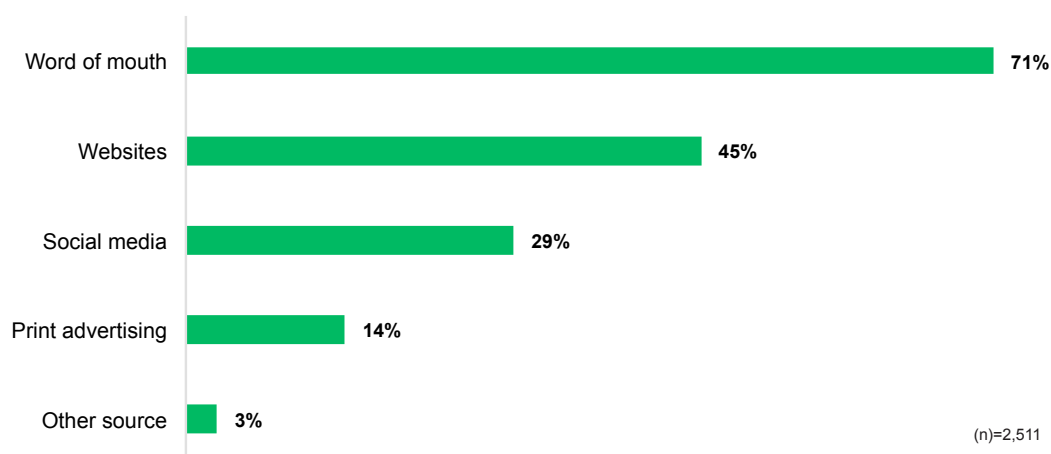
Of those families who used ‘word of mouth’ to find out more about education and care services, they primarily spoke with friends and/or family (58%), followed by other parents (54%), educators at the service (46%) and teachers at the school where the service is located (41%). Many respondents who selected ‘word of mouth’ indicated that they had limited choice of services as they selected the service that was attached to or provided by the school.

Of those families who used ‘websites’ to find out more about education and care services, the most commonly used websites include the websites of individual services (67%), followed by the MyChild website (41%), online forums (34%) and the Starting Blocks website (14%).

Starting Blocks users

While a relatively small proportion of families in the *panel sample* (164 or 14%) reported using the Starting Blocks website in their search for an education and care service, it is helpful to understand more about these respondents’ experience of using the Starting Blocks website so that ACECQA can improve the information provided to families.

Figure 4.6: Sources used by families to inform education and care service choice – panel sample¹³



13. Note that respondents were able to select more than one source.

The majority of Starting Blocks users in the sample (80%) are existing users of education and care services.

Starting Blocks users heard about the website through a variety of avenues, including via social media and websites (both 52%), word of mouth (46%), playgroup or education and care service (39%), exhibition (e.g. baby and toddler expo) (35%) and print advertising (27%).

Information on the Starting Blocks website was accessed fairly consistently, with around half of respondents accessing the different sections of the website. The sections most frequently accessed include ‘what to expect from a child care service’ (54%), followed by ‘children’s developmental milestones’ and ‘quality ratings’ (both 51%).

The survey asked respondents their level of agreement with a number of attitudinal statements about the Starting Blocks website. Respondents were positive about the website and its functionality, with over three

quarters of Starting Blocks users agreeing or strongly agreeing with each of the attitudinal statements (see **Figure 4.7**).

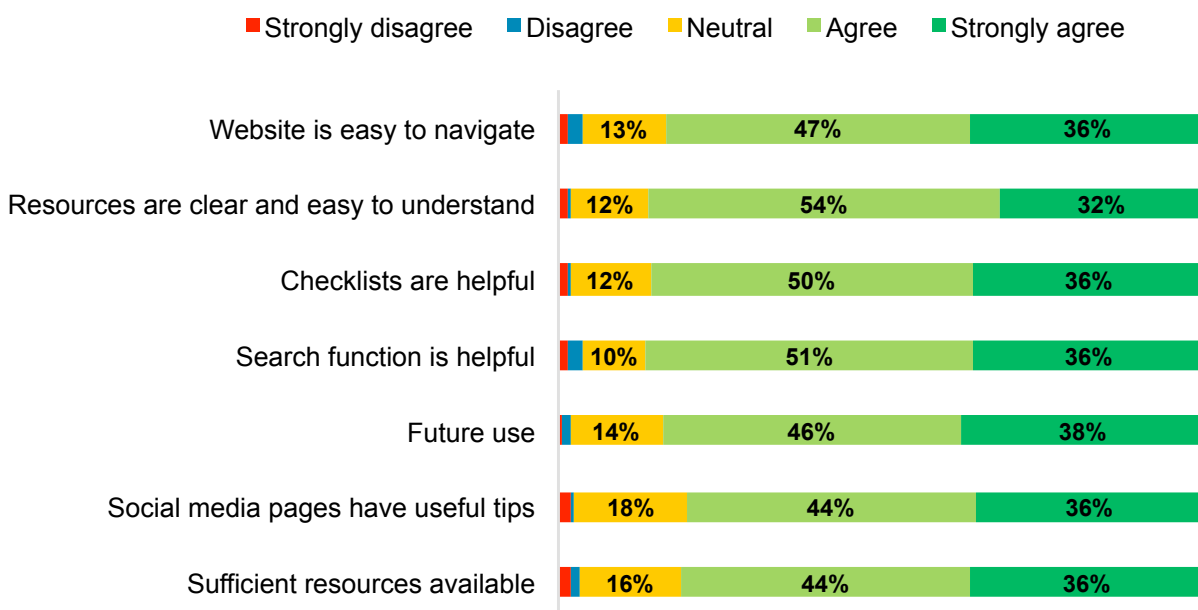
The highest level of agreement was with the following attitudinal statements:

- The Starting Blocks child care service search function is helpful and saved me time (85%)
- The Starting Blocks resources are clear and easy to understand (85%)
- The checklists on the Starting Blocks website helped me understand what to look for when visiting a child care service (85%).

Decision-making factors

Families were asked to rank in order of importance to them a range of factors when choosing an education and care service for their child/children.

Figure 4.7: Attitudes about the Starting Blocks website – panel sample¹⁴



14. Due to rounding, individual values may not add to 100%.

In the *panel sample*, ‘location/accessibility’, ‘cost/affordability’ and ‘reputation of the service and its provider’ were the most important factors to families when choosing an education and care service (see **Figure 4.8**).

The ‘quality rating of service against the NQS’ was the least important factor to families when choosing an education and care service.

The ‘general feel of the service’ and ‘highly skilled educators’ were the two most important factors in the *generic and large provider samples*, with ‘location/accessibility’ also ranking highly in the *large provider sample*. The ‘quality rating of service against the NQS’ was the least important factor to families in both samples when choosing an education and care service.

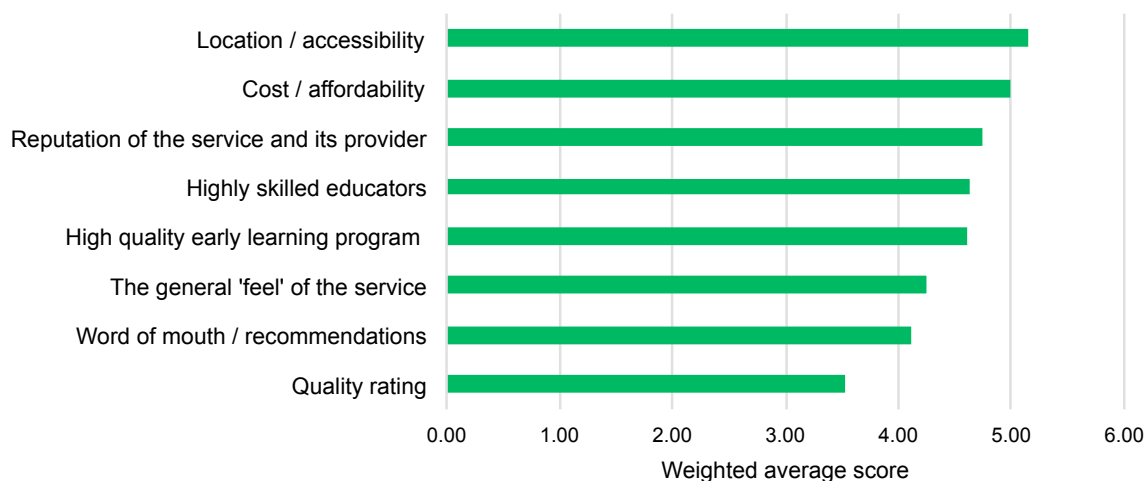
The factors of most importance to families varied according to their characteristics. For example, the importance of a ‘high quality early learning program’ and ‘highly skilled educators’ ranked more highly for families who were aware of the quality rating system and who knew the quality rating of the service(s) they were using or considering using.

The type of service a family was using also influenced the importance they placed on specific factors they considered when choosing an education and care service. For example, as can be seen in **Figure 4.9**, ‘location/accessibility’ was the most important factor for families using long day care and outside school hours care services, whereas a ‘high quality early learning program’ ranked as the most important factor for families using preschools/ kindergartens, and ‘cost/affordability’ the most important for families using family day care services.

‘Cost/affordability’ was also an important factor for families using outside school hours care and preschools/kindergartens, but was considered less important by families using long day care services. Another notable result was the relative lack of importance families using outside school hours care services placed on services having a ‘high quality early learning program’.

One common factor across all service types was the relative lack of importance placed on ‘quality rating of service against the NQS’. This was particularly evident for families using outside school hours care services.

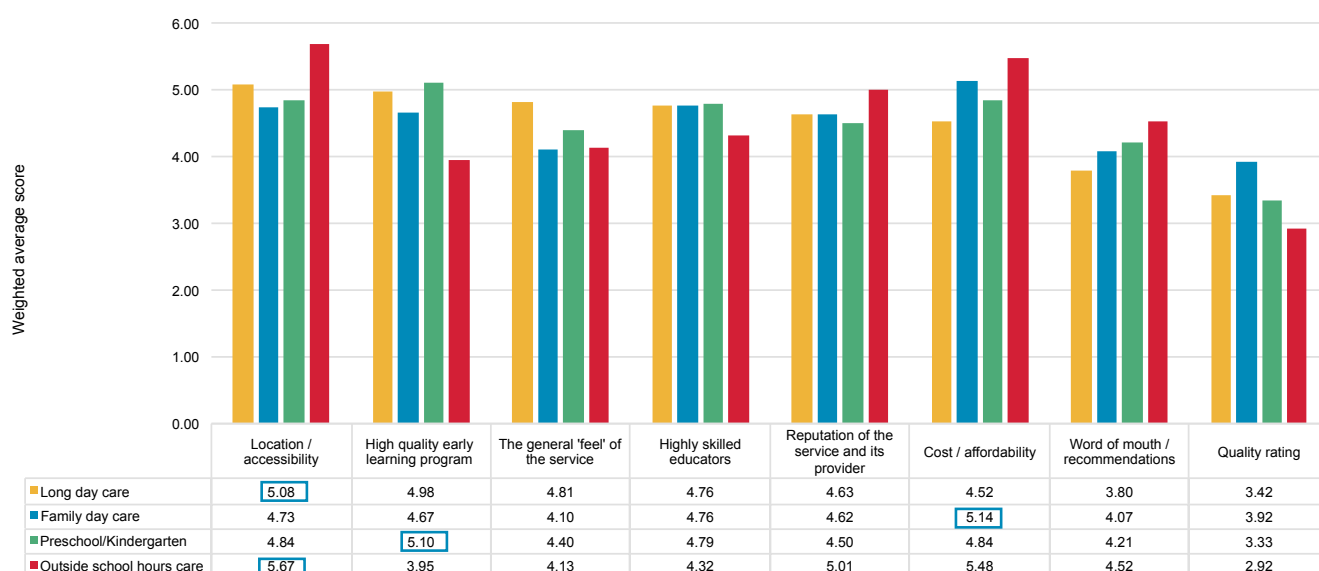
Figure 4.8: Most important factors in education and care service choice – panel sample¹⁵



(n) = 2,511

15. The weighted average score is a calculation of the average ranking for each answer choice so that the most preferred answer choice can be determined. For example, the respondent’s most preferred choice has the largest weight, and their least preferred choice has the lowest weight.

Figure 4.9: Most important factors in service choice by service type - panel sample



In the *generic sample*, ‘location/accessibility’ was considered the most important factor by families using outside school hours care services, whereas ‘highly skilled educators’ and a ‘high quality early learning program’ ranked as the most important factors for families using preschools/kindergartens.

The ‘general feel of the service’ and ‘highly skilled educators’ were considered the two most important factors for families using long day care and family day care services.

‘Cost/affordability’ was also an important factor for families using outside school hours care and family day care services, but considered to be less important by families using long day care and preschools/kindergartens.

In line with *panel* and *large provider* samples, families in the *generic sample* using outside school hours care services placed less importance on services having a ‘high quality early learning program’ than families using other types of services.

Families were also asked what other factors, if any, influenced (or would influence) their choice of service. The most frequently cited other factors were ‘health and safety’ (20% of all mentions) and ‘child’s happiness’ (15%).

Other factors that were cited include ‘relationships with educators’ (8%), ‘physical environment’ and ‘relationships with children’ (both 7%), and ‘hours of operation’ (6%).

Table 4.3 lists the most frequently cited ‘other factors’ in the open-ended response question, along with example quotes.

Many of the ‘other factors’ mentioned in the open-ended response question align with the quality areas and concepts in the NQS.

This would appear to confirm that the NQS assesses issues that are of interest and importance to parents and highlights an opportunity to better communicate the components of the NQS and their relevance to parents and carers, particularly given the fact that the quality rating of the service was deemed to be the least important of the eight factors listed in the survey.

There continues to be a need for further engagement and communications with families about the NQF.

Table 4.3: Most frequently cited other factors that influence families' choice of education and care service – panel sample

Other factors mentioned	Percentage of all mentions	Example quotes
Health and safety	20%	<p>'cleanliness of the service'</p> <p>'the nutritional value of foods served'</p> <p>'child safety'</p> <p>'safety and security'</p>
Child's happiness	15%	<p>'how happy the children are'</p> <p>'if my child enjoys it'</p> <p>'if my child felt comfortable and happy'</p>
Relationships with educators	8%	<p>'ways the educators deal with parents and the information provided by them'</p> <p>'staff approachability'</p> <p>'general attitude of staff, that is friendliness, attitude to children, whether they are approachable in discussing problems with children'</p>
Physical environment	7%	<p>'facilities and resources available at centre'</p> <p>'quality of facilities, size of facilities, access to all areas of the service'</p> <p>'outdoor and indoor play space'</p> <p>'what type of play equipment was offered to educate the child; how much natural light was available in different rooms'</p>
Relationships with children	7%	<p>'the staff and how they interact with my children'</p> <p>'an organisation who promoted a respectful relationship with children that supported them through all of their emotions'</p> <p>'that they place importance on social and emotional wellbeing of the children'</p> <p>'that the carer and the environment is warm and caring'</p>
Hours of operation	6%	<p>'hours available, whether it needs to be pre-booked'</p> <p>'opening/closing hours'</p>
Child's friends also attend	5%	<p>'my child attending with friends'</p> <p>'my child had friends who go to the care service'</p>
Availability	4%	<p>'a provider that had availability when needed'</p> <p>'availability in local areas'</p>
Staff to child ratios	3%	'ratio of staff to children'
Inclusions	3%	'what is included in the service (e.g. food, nappies)'
Size of the service	3%	'number of children that attend'

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Chapter 5

Efficiency and cost effectiveness of the regulation of education and care services

Key messages

- The National Quality Framework (NQF) recognises the importance of improving the efficiency and cost effectiveness of regulation in the education and care sector.
- A single legislative system has reduced administrative burden for education and care providers that were previously required to meet separate state/territory and national requirements.
- Under the NQF, minimum enforceable standards and quality rating assessments are encompassed in a unified system.
- The NQF is governed by the National Partnership on the National Quality Agenda for Early Childhood Education and Care.
- A major review of this National Partnership commenced in 2014, with recommendations for some system changes agreed by the Education Council for implementation in late 2017 and early 2018. Governments and ACECQA also regularly collaborate with one another and others to review and analyse the performance of the NQF.
- Governments and ACECQA continue to undertake a number of activities to pursue efficiency and cost effectiveness, including:
 - promoting a risk based approach to regulation
 - national audits on a number of aspects of the NQF
 - system enhancements to the National Quality Agenda IT System
 - assessment and rating innovations
 - a revised National Quality Standard to commence from February 2018.
- As the NQF continues to mature, and transitional arrangements expire, national consistency should increase.

Overview

All Australian governments and ACECQA are committed to reducing unnecessary or inefficient regulation imposed on providers of education and care services, and individuals who work in the sector.¹

Monitoring and reviewing the performance of the National Quality Framework (NQF) is a collaborative effort between the eight state and territory regulatory authorities, the Australian Government and ACECQA.

The NQF came into effect across Australia in 2012. Improved efficiency was in part achieved by replacing the pre-existing and complex system of eight different state and territory regulatory schemes, plus an overlapping national quality assurance regulatory scheme.

Prior to the NQF, requirements such as the safety of a service's physical environment were often duplicated in the state/territory licencing and Commonwealth quality assurance processes. Expectations were also inconsistent across states and territories, with differing standards for services, and ratio and qualification requirements varying between jurisdictions. Further, there was a complex system of licensing requirements and minimum standards for different service types, depending on which jurisdiction the service operated in.

While the introduction of the NQF did not immediately result in one single set of national requirements, the phasing out and phasing in of some standards over time was a pragmatic and appropriate approach to transitioning from nine disparate systems, approaches and expectations. As the NQF continues to mature, and transitional arrangements expire, national consistency will increase for the sector.

A single legislative system reduces administrative burden for all education and

care providers that were previously required to meet separate requirements. It also reduces complexity for providers operating services in multiple jurisdictions and/or multiple service types. Under the NQF, minimum enforceable standards and quality rating assessments are encompassed in a unified system, which has efficiency benefits for both providers and governments. The NQF also offers consistency for the many families who move between jurisdictions and/or use multiple service types.

Some examples of the types of efficiencies gained from the introduction of the NQF include:

- reduced administrative compliance costs
- workforce mobility
- national systems and infrastructure
- national collaboration and problem solving.

Governance

The NQF is governed by the National Partnership on the National Quality Agenda for Early Childhood Education and Care (NP NQA). Under the inaugural NP NQA which was endorsed in 2009, governments committed to a major review in 2014 to assess progress made in achieving the agreed objectives and outcomes.

Since the inception of the NQF, governments and ACECQA have also regularly collaborated with one another and with the education and care sector to review and analyse the performance of the NQF. For example, collaboration through the NQF Regulatory Practice Committee (RPC) provides an opportunity for state and territory regulators, the Australian Government and ACECQA to identify and understand potential sources of inconsistency and inefficiency, and respond accordingly. Further details about the formal governance structures that provide strategic oversight of the NQF can be found in Chapter 8.

1. See, for example, Australian Government Office of Best Practice Regulation (2014); New South Wales Government (2012); Victorian Government (2016); and Queensland Government (2016).

Continuous improvement

NQA Review (2014)

The 2014 NQA Review provided an opportunity to consider possible improvements to the system and address issues emerging since the introduction of the NQF.

The review considered a wide range of potential changes to regulatory coverage, standards and processes.

Changes introduced from October 2017² include:

- a revised NQS to strengthen quality through greater clarity, removal of conceptual overlap between elements and standards, and clarification of language
- removing supervisor certificate requirements so service providers have more autonomy in deciding who can be the responsible person in each service, and to reduce red tape
- improved oversight and support within the family day care sector to achieve better compliance and quality
- introduction of a national educator to child ratio of 1:15 for services providing education and care to school age children. Transitional arrangements and saving provisions apply in some states and territories.

The first two changes listed above reduce the unnecessary costs of regulation and contribute efficiency gains for both regulators and the regulated sector.

National audits

Between 2013 and 2017, ACECQA completed 13 audits of aspects of the NQF as part of its legislated national audit function. Audit topics are identified, prioritised and agreed in collaboration with regulatory authorities and the Australian Government.

The 13 completed audits have examined the following topics:

1. Conditions on approval
2. Waivers
3. Compliance and monitoring resources
4. First tier reviews
5. Determining NQS rating levels
6. Drift testing reliability
7. Use and value of the Operational Policy Manual (OPM)
8. Serious incidents (child missing or unaccounted for)
9. Significant Improvement Required (SIR) rating
10. Individual standards and elements analysis
11. Scheduling and undertaking quality assessment and rating visits
12. Remote and very remote services' experience of the NQF
13. Quality rating reassessments.

In most cases, the audits involve ACECQA analysing relevant data held within the National Quality Agenda IT System (NQA ITS) and discussion with regulatory authority staff in each jurisdiction to gather additional information and context. Depending on the audit topic, ACECQA has also engaged with a cross-section of large providers and staff working in education and care services to gather their insights and perspectives.

Each audit report includes a list of agreed actions that typically focus on opportunities to enhance efficiency or consistency. Tangible outcomes from the audits include:

- improved quality, consistency and capture of data in the NQA ITS
- additional guidance for providers of education and care services

2. The timeline for changes is as follows:

- 1 October 2017 – National Law and Regulations changes commenced in all states and territories, except Western Australia. In Western Australia, changes will commence by 1 October 2018 to allow for the legislation to pass through that parliament.
- 1 February 2018 – Revised NQS commences in all states and territories, including Western Australia.

- additional content for the OPM to help guide authorised officers in their day-to-day work. The OPM has since been replaced by the Guide to the NQF, which also replaces the NQF Resource Kit as a single source of guidance for both state and territory regulatory authorities, and the education and care sector.

National Quality Agenda Information Technology System (NQA ITS)

The NQA ITS is the national database used by all state and territory regulatory authorities to record their regulatory activity, including the assessment and rating of services, and compliance and enforcement actions.

The system is also available to providers of education and care services through an online portal. Registered users of the NQA ITS can view their provider and service details, submit applications and notifications, submit feedback on assessment and rating reports, and pay invoices.

System enhancements

ACECQA provides a regular, rolling program of system updates to the NQA ITS.

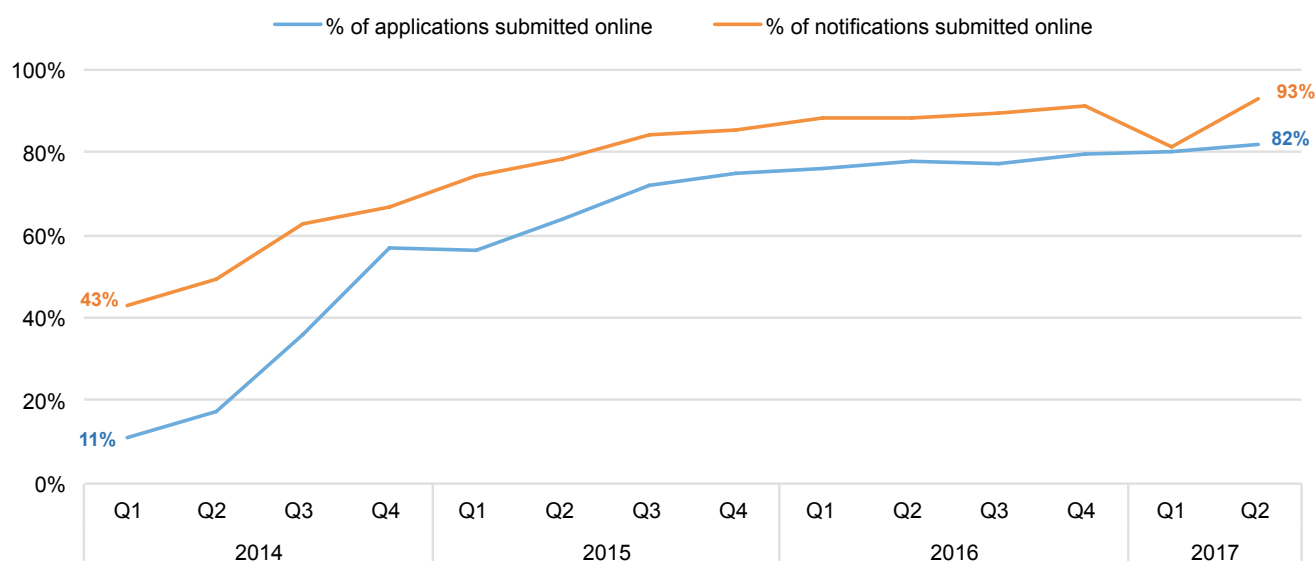
Efficiency and consistency related priorities include:

- increasing sector use of online application and notification forms (see **Figure 5.1**), as well as online payment of invoices
- streamlining and more closely aligning processes for jurisdictions, including the introduction of electronic templates, as well as implementing an integrated web service that allows automatic data transfer between the NQA ITS and other jurisdictional business systems and applications
- increasing data reporting capability through the use of Business Intelligence tools and interactive dashboards.

From 2017, the NQA ITS has incorporated the Attorney-General Department’s Document Verification Service that enables regulatory authorities to cross-reference a person’s identity document and compare this against the corresponding record of the issuing agency.

ACECQA provides information and training sessions for regulatory authorities and gathers feedback from these to help inform future enhancements. It also conducts an annual survey of NQA ITS users to gather feedback on the system and help prioritise improvements and enhancements.

Figure 5.1: Change in sector use of NQA ITS online application and notification forms³



3. The proportion of online notifications for Q1 2017 was affected by ACECQA manually creating notifications on behalf of a jurisdiction affected by adverse weather conditions.

Assessment and rating innovations

Within and across jurisdictions there have been various innovations in the conduct of quality rating aimed at contributing to consistency and efficiency gains.

For example, in 2014, the New South Wales regulatory authority commenced the roll-out of its structured assessment methodology for conducting all assessment and rating tasks, which included the development and implementation of an electronic assessment tool in 2015. The Queensland regulatory authority also introduced an electronic assessment tool in 2014.

ACECQA conducted an audit of scheduling and undertaking quality assessments and ratings in 2016. Overall, the assessment and rating process (as measured by elapsed days recorded in the NQA ITS) took notably fewer working days in 2015-16 than in 2013¹⁴.

For stages of the assessment and rating process that are dependent on the provider, there were consistent median timeframes across jurisdictions in 2015-16, suggesting that jurisdictions communicate consistent expectations to the sector.

In key areas (for example, days spent on report writing and incorporating provider feedback on the draft report), most jurisdictions have reduced their average working days over the years (as measured by elapsed days). This suggests that intra and interjurisdictional efforts to improve efficiency have resulted in some successes.

From 2017, the NQA ITS has enabled jurisdictions to complete their assessment and rating reports within the system, including the capture of all report text, as well as the ability to edit and moderate the report.

Education and care service providers are also able to provide feedback on their draft assessment and rating report through the online portal, offering efficiency gains for both providers and the regulatory authorities as the feedback and supporting documents

are automatically stored against the relevant assessment and rating record in the NQA ITS.

Promoting consistency under the NQF

Given the joint governance arrangements in place for the NQF, striving for consistency is a collaborative effort between the eight state and territory regulatory authorities, the Australian Government and ACECQA.

ACECQA's third occasional paper, published in November 2016, provides an overview of ACECQA's approach to consistency, which is also outlined in ACECQA's National Consistency Strategy and Implementation Plan 2015-16.

The plan, published in October 2015, is informed by the experiences of service providers and guided by the principles of best practice regulation (see Chapter 8 for more information). It identifies seven consistency related priorities, a number of which are addressed by the activities detailed above:

- training and support for state and territory authorised officers
- national audits of aspects of the NQF
- application and assessment functions
- sector and family communications
- analysis of assessment and rating data
- collaboration with state and territory regulatory authorities, and other partner organisations
- maintaining and enhancing the NQA ITS.

Striving for consistency is a collaborative effort between the eight state and territory regulatory authorities, the Australian Government and ACECQA.

References

ACECQA (2017), [NQF changes webpage](#) and [Summary of changes to the NQF](#).

ACECQA (2016), [Occasional Paper 3: Promoting consistency and efficiency under the National Quality Framework](#).

ACECQA (2013), [Report on the National Quality Framework & Regulatory Burden](#).

Australian Government (2017), [The Australian Government's New Child Care Package Fact Sheet](#).

Australian Government Office of Best Practice Regulation (2014), [Regulatory Burden Measurement Framework](#).

Council of Australian Governments (2017), [Decision Regulation Impact Statement for changes to the National Quality Framework](#).

Council of Australian Governments (2014), [Regulation Impact Statement for proposed options for changes to the National Quality Framework](#).

Deloitte Access Economics (2013), [Measuring administrative burden of the NQF, Appendix D](#), in ACECQA (2013) [Report on the National Quality Framework & Regulatory Burden](#).

New South Wales Government (2012), [Premier's Memorandum 2012-02 Red tape reduction – new requirements](#).

Queensland Government (2016), [Red Tape Reduction Advisory Council Report 2016](#).

Victorian Government (2016), [Victorian Guide to Regulation](#).

Chapter 6

Regulatory burden for education and care service providers

Key messages

- The National Quality Framework (NQF) was introduced in 2012 as a means of uniting nine different education and care regulatory frameworks into a single unified framework.
- ACECQA, in collaboration with state and territory regulatory authorities, has developed a survey to measure approved providers' perception of burden associated with administrative requirements under the NQF. The survey was administered annually between 2013-2015 and again in 2017.
- Overall support for the NQF amongst providers of education and care services has been consistently above 95% and remained very strong in 2017.
- Although the perception of overall burden increased between 2015 and 2017, it remained lower than in 2013 and 2014.
- Perceived overall burden was largely influenced by perceptions of burden associated with six administrative requirements. Four of the six requirements, including documenting children's learning and maintaining policies and procedures, were considered more beneficial than burdensome. However, quality assessment and rating visits and quality improvement plans (QIPs) were considered by a slim majority of providers to be more burdensome than beneficial.
- The time required to prepare staff and documentation for quality assessment and rating visits was the primary concern for providers, as they considered that it diverted their attention from other activities.
- Staff time was also a primary factor in the perception of burden associated with QIPs, particularly in terms of identifying and prioritising areas for improvement.
- The recent regulatory burden research suggests that there continues to be a need for further engagement and communications with providers about the value of quality assessment and rating visits and QIPs, as well as further clarification and clarity about what is expected in terms of preparation for a visit and content for a QIP.

Overview

The intention of any regulatory reform is to improve the quality, efficiency and effectiveness of regulatory policy, while reducing unnecessary burden on stakeholders that are impacted by these changes.¹

The NQF was introduced in 2012 to unite nine different regulatory models for education and care into a single, unified regulatory framework.

Governments have been committed to monitoring and reducing unnecessary burden associated with the NQF since its introduction in 2012. ACECQA is responsible for measuring and reporting on the perceptions of regulatory burden experienced by the providers of education and care services under both the previous and current National Partnership Agreements.

Defining and measuring regulatory burden can be approached in many ways. The Organisation for Economic Co-operation and Development (OECD) research on the topic focuses on administrative or compliance costs of regulation.² They recommend using perception surveys 'to evaluate the success of a regulatory reform programme from a user's perspective'.³ Administrative costs, also known as 'paperwork costs', are the costs of complying with information requirements, such as time spent keeping records, reporting to regulatory authorities, or preparing for inspections.

The 2009 COAG Decision Regulatory Impact Statement (DRIS)⁴ estimated most substantive compliance costs and benefits associated with the NQF, apart from administrative costs. Instead, it recommended that a sector survey be conducted to measure administrative burden.

In 2013, ACECQA designed a perception survey that measured the administrative costs associated with the implementation of the NQF.

Regulatory burden research under the NQF

The regulatory burden research conducted by ACECQA between 2013-15 was a longitudinal survey, which meant that a selection of providers were invited to complete the perception survey in Wave I and those who completed the first survey were invited to participate again in Waves II and III.⁵

A refreshed version of the survey was administered in 2017 using a slightly different methodology. In 2017, all approved providers were invited to participate in the survey.

A new question was also added to the survey to gauge perceptions about whether the benefits accrued from specified sources of administrative burden outweighed the associated costs.

Data from the 2017 survey has been compared, where possible, to the cross-sectional data collected in the previous surveys between 2013-15. The survey will be run again in 2018.

2013–15 surveys

Between 2013 and 2015, there was a statistically significant reduction in the overall perception of regulatory burden associated with the requirements of the NQF. This decrease was influenced by a steady decline in the perceived burden associated with provider and service approvals, and ensuring staff knew about the National Law and Regulations. Meanwhile, support for the NQF remained at over 95% over the three year study.

1. NSW Department of Premier and Cabinet (2008). *Measuring the Costs of Regulation* (pp. 1-12).

2. OECD (2001) in Y, Katsoulacos et al (2011), [Regulatory Burden, Competition and Growth](#).

3. OECD (2012), *Measuring Regulatory Performance: A Practitioners Guide to Perception Surveys*.

4. COAG (2009), *Regulation Impact Statement for Early Childhood Quality Reforms*.

5. To boost the response rate in Wave II, additional providers who were not included in the Wave I sample were also invited to take part and were included in a parallel 'cross-sectional' sample.

The perception of burden associated with some requirements increased over time, notably the perceived burden of preparing staff and paperwork for assessment and rating visits. Meanwhile, consistently high levels of burden were reported with the annual update to quality improvement plans (QIPs) and documenting children’s learning.

2017 survey

The 2017 survey was completed by 2362 providers (32% of all approved providers under the NQF) and was broadly representative of provider characteristics (e.g. provider size, management and service type) in the total population.

Overall support for the NQF

Overall support for the NQF has consistently been above 95% since the survey was first run in 2013 and remained very strong in 2017 (see **Table 6.1**). Support for the NQF was greatest among large providers and those providing preschool/kindergarten and family day care services. Providers of outside school hours care services were less supportive of the NQF than other providers.

Table 6.1: Overall support for the NQF

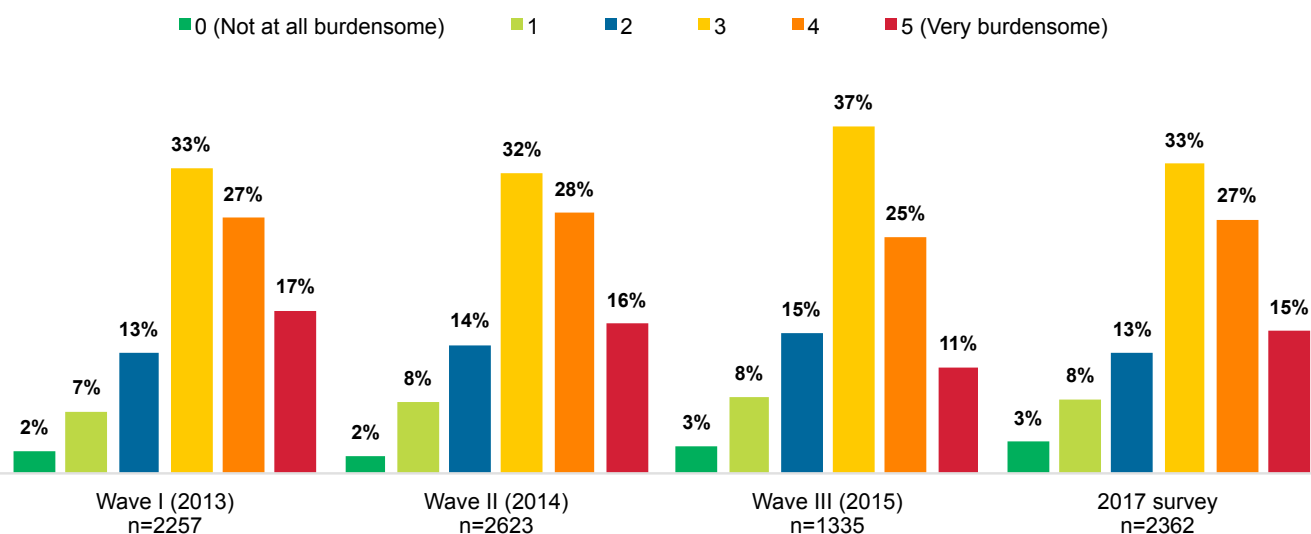
	Number of respondents	% of respondents that were supportive of the NQF
2013 survey (Wave I)	2257	98%
2014 survey (Wave II)	2623	98%
2015 survey (Wave III)	1335	99%
2017 survey	2362	97%

Overall perception of burden

Respondents were asked to report on their overall perception of burden using a scale from 0 to 5, where 0 was not at all burdensome and 5 was very burdensome.

While the perception of overall burden increased in 2017, it was not as high as the levels reported in Wave I (2013 survey) and Wave II (2014 survey) (see **Figure 6.1**).

Figure 6.1: Overall perception of burden



Both the type of services provided and the size of the provider influenced the perception of overall burden. Large providers (those with 25 approved services or more) reported a higher level of burden than small or medium size providers. This was also the case for outside school hours care providers compared to providers of other service types, such as long day care (see **Table 6.2**).

Providers of family day care services reported much lower levels of burden than providers of other service types.

Table 6.2: Overall perception of burden by service type and provider size, 2017 survey

Service type ⁶	High perception of burden (4 or 5 on scale)
Long day care (n=1234)	43%
Preschool/Kindergarten (n=578)	44%
Outside school hours care (n=600)	46%
Family day care (n=250)	28%
Total (n=2362)	42%

Provider size	High perception of burden (4 or 5 on scale)
1 approved service (n=1810)	41%
2-24 approved services (n=507)	44%
25 approved services or more (n=45)	58%
Total (n=2362)	42%

Burden associated with specific administrative requirements

The proportion of respondents reporting high perceptions of burden (defined as respondents who selected 4 or 5 on a scale of 0-5, where 0 was 'not at all burdensome' and 5 was 'very burdensome') increased for the majority of specified administrative requirements in 2017 (see **Figure 6.2**). The highest increases concerned:

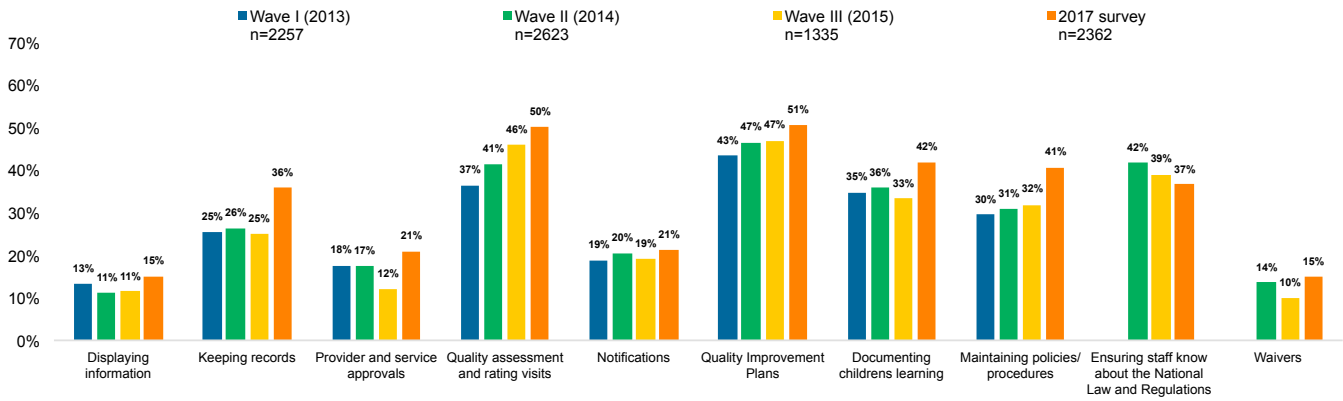
- keeping records (11 percentage point increase between 2015 and 2017)
- documenting children's learning (9 percentage point increase between 2015 and 2017)
- maintaining policies and procedures (9 percentage point increase between 2015 and 2017)
- provider service approvals (9 percentage point increase between 2015 and 2017).

Burden associated with ensuring staff know about the National Law and Regulations was the only administrative requirement where perceived burden decreased in 2017 in comparison to previous surveys.

Both the type of services provided and the size of the provider influenced the perception of overall burden.

6. Multiple service types could be selected so the sum of individual services will not equal the total number of respondents.

Figure 6.2: Proportion of approved providers that reported burden at the highest levels (4 or 5 on a scale of 0-5) with specified administrative requirements of the NQF



Where respondents indicated that they found a specified administrative requirement burdensome, they were then asked whether they felt the benefits accrued from that requirement outweighed the burden associated with it (see **Figure 6.3**). The following requirements were considered more beneficial than burdensome by the majority of this subset of respondents:

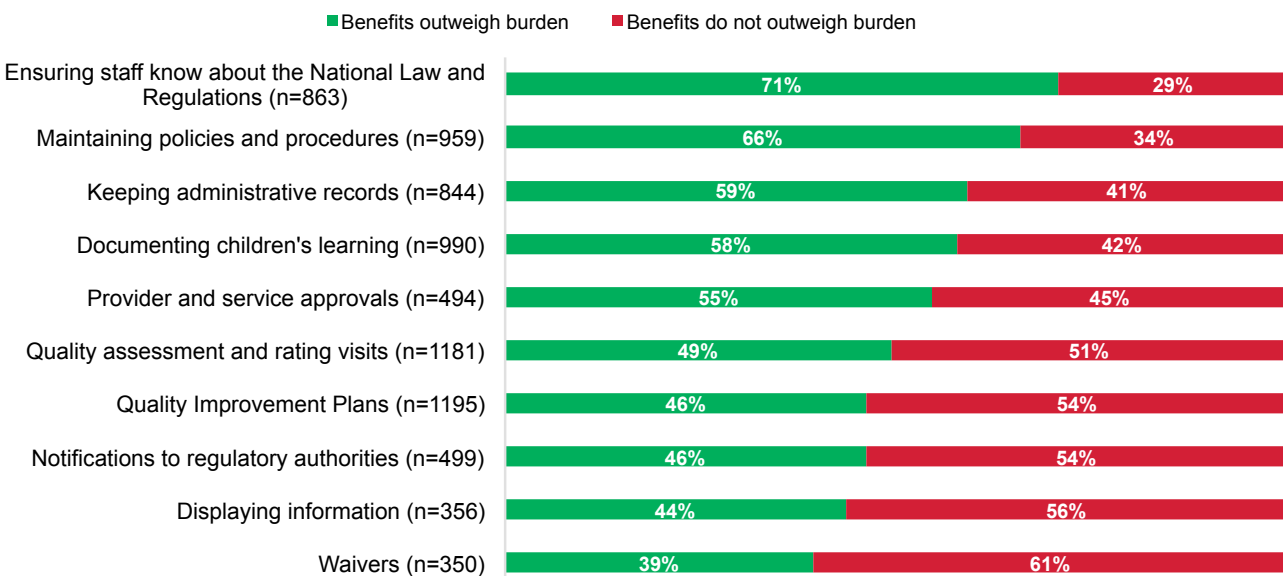
- Ensuring staff know about the National Law and Regulations
- Maintaining policies and procedures
- Keeping administrative records
- Documenting children’s learning
- Provider and service approvals.

Meanwhile, the requirements below were considered more burdensome than beneficial by the majority of this subset of respondents:

- Waivers
- Displaying information
- Notifications to regulatory authorities
- Quality Improvement Plans
- Quality assessment and rating visits.

Respondents who indicated a high level of burden associated with more than one administrative requirement were also asked to then select the single most burdensome requirement.

Figure 6.3: Provider perceptions about whether the burden they perceive with specified administrative requirements of the NQF is outweighed by the benefit accrued from those requirements



More than one in five respondents (22%) selected quality assessment and rating visits, with 19% selecting QIPs and 18% selecting documenting children’s learning (see **Figure 6.4**).

Reasons respondents provided to explain why they perceived specific administrative requirements to be burdensome included:

- the staff hours/time spent on meeting those requirements was excessive
- that they diverted attention from other activities.

More than a quarter of respondents also reported frustration and stress as a driver of

burden associated with provider and service approvals (27%), and quality assessment and rating visits (31%) (see **Figure 6.5**).

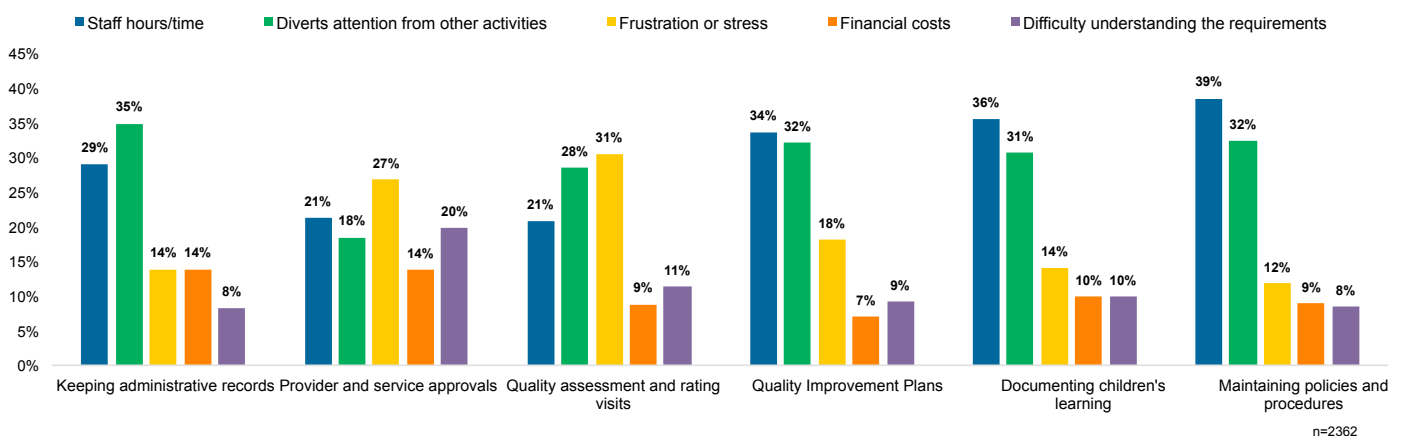
Quality assessment and rating visits and Quality Improvement Plans were perceived to be the most burdensome requirements.

Figure 6.4: Provider perceptions about which is the single most burdensome specified administrative requirement of the NQF



n=1827

Figure 6.5: Reasons respondents provided to explain why they perceived specific administrative requirement to be burdensome^{7,8}



n=2362

7. Respondents who selected 4 or 5 on a scale of 0–5, where 0 was ‘not at all burdensome’ and 5 was ‘very burdensome’.
 8. Respondents could select more than one option so the percentages do not add to 100.

Examining perceptions of burden associated with quality assessment and rating visits, and QIPs

Medium sized providers (2-24 approved services), providers of preschool/kindergarten services, and providers of outside school hours care services were more likely to report that quality assessment and rating visits were burdensome (see **Table 6.3**).

Whereas large providers and providers of family day care services were less likely to report that they perceived quality assessment and rating visits as burdensome.

Table 6.3: Perception of burden associated with quality assessment and rating visits by service type and provider size

Service type ⁹	High perception of burden (4 or 5 on scale)
Long day care (n=1234)	49%
Preschool/Kindergarten (n=578)	56%
Outside school hours care (n=600)	53%
Family day care (n=250)	36%
Total (n=2362)	50%

Provider size	High perception of burden (4 or 5 on scale)
1 approved service (n=1810)	49%
2-24 approved services (n=507)	53%
25 approved services or more (n=45)	44%
Total (n=2362)	50%

Providers reported that preparing staff and preparing paperwork were the most burdensome activities associated with quality assessment and rating visits.

Perceived burden associated with creating and maintaining QIPs was greatest among providers of preschool/kindergarten services. Large providers and those providing family day care services reported a much lower level of burden associated with QIPs (see **Table 6.4**).

Table 6.4: Perception of burden associated with QIPs by service type and provider size

Service type ⁹	High perception of burden (4 or 5 on scale)
Long day care (n=1234)	50%
Preschool/Kindergarten (n=578)	56%
Outside school hours care (n=600)	51%
Family day care (n=250)	37%
Total (n=2362)	51%

Provider size	High perception of burden (4 or 5 on scale)
1 approved service (n=1810)	51%
2-24 approved services (n=507)	51%
25 approved services or more (n=45)	38%
Total (n=2362)	51%

Over half of providers reported that identifying and prioritising areas for improvement was the most burdensome activity associated with QIPs. This was closely followed by documenting the QIP for the first time and having a current QIP available on request.

9. Multiple service types could be selected so the sum of individual services will not equal the total number of respondents.

References

ACECQA (2013), [*Report on the National Quality Framework and Regulatory Burden \(Wave I\)*](#).

ACECQA (2014), [*Report on National Quality Framework and Regulatory Burden \(Wave II\)*](#).

ACECQA (2015), [*Report on National Quality framework and Regulatory Burden \(Wave III\)*](#).

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Y, Katsoulacos et al (2011), [*Regulatory Burden, Competition and Growth*](#).

Key messages

- One of the objectives of the National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18 is to build a highly skilled workforce.
- Research supports the National Quality Framework's focus on educator to child ratios and educator qualification requirements, with evidence that lower educator to child ratios and higher educator qualifications are associated with higher quality education and care.
- The 2016 National Early Childhood Education and Care Workforce Census estimated that just under 195,000 staff were employed in long day care (56%), family day care (17%), outside school hours care (14%) and vacation care (12%) services, representing a 55% increase on the 2013 Workforce Census estimate.
- 85% of paid contact staff in long day care, family day care, outside school hours care and vacation care services had an education and care related qualification in 2016, up from 80% in 2013 and 69% in 2010.
- Enrolments in the Diploma of Early Childhood Education and Care increased from 67,395 in 2015 to 74,995 in 2016, while enrolment numbers in the Certificate III in Early Childhood Education and Care increased from 51,950 in 2015 to 54,265 in 2016.
- Commencements for early childhood initial teacher training degrees increased from 3186 in 2009 to 4559 in 2015.
- A number of agencies work with the sector to support the supply and quality of early childhood educators, through:
 - assessment of educator qualifications (ACECQA)
 - professional standards for the teaching profession (AITSL)
 - assessment for migration (AITSL)
 - the registration and accreditation of ECTs (some state and territory teacher regulatory authorities)
 - assessment of early childhood teaching degrees (ACECQA and state and territory teacher regulatory authorities)
 - regulation and review of vocational education and training qualifications (ASQA and SkillsIQ).
- States and territories and the Australian Government have implemented a range of initiatives to support the development of the education and care workforce.

Overview

Building a highly skilled workforce is one of the eight objectives of the National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18. Workforce and leadership development was also identified as an important area for action prior to the introduction of the National Quality Framework (NQF).¹

The NQF aims to improve quality in children's education and care through a range of measures, including two measures closely aligned with building a skilled workforce:

- Improved educator to child ratios
- Higher educator qualification requirements.

Research supports the NQF's focus on educator to child ratios and educator qualification requirements, with evidence that lower child-adult ratios and higher educator qualifications are associated with higher process quality.²

The OECD's 2017 *Starting Strong V* report highlights research that finds that education and care delivered by well-educated, well-trained professionals results in more stimulating environments and high-quality pedagogical practices, which in turn leads to more positive cognitive and social outcomes for children.³ The importance of a highly skilled workforce is also reinforced in the approved learning frameworks.⁴

Summary of the early childhood education and care workforce

The National Early Childhood Education and Care (ECEC) Workforce Census⁵ has been developed to measure change in the workforce over time. The Census collects data on long day care, family day care, outside school hours care and vacation care services.

National ECEC Workforce Census (2010, 2013, 2016)

Workforce characteristics

Table 7.1 shows that the 2016 National ECEC Workforce Census estimated 194,994 staff were employed in long day care, family day care, outside school hours care and vacation care services during the reference week, representing a 55% increase on the 2013 workforce census estimate (126,203 staff).

Table 7.1: Size of ECEC workforce

National ECEC Workforce Census year	ECEC workforce size	Percentage change compared to previous Census
2010	113,712	-
2013	126,203	11%
2016	194,994	55%

1. The Early Childhood Development Strategy (COAG 2009) articulated a vision where, by 2020, 'the early childhood sector is attracting the brightest to the profession, and there is a sustainable workforce supply which closely matches demand'.

2. Huntsman (2008), as cited in Early Childhood Australia, [National Quality Standard Professional Learning Program e-Newsletter](#), No.32, 2012, p. 1-2.

3. OECD (2017), [Starting Strong V: Transitions from Early Childhood Education and Care to Primary Education](#), Paris, p.88, 103.

4. *Belonging, Being and Becoming: The Early Years Learning Framework for Australia (EYLF)* and *My Time, Our Place: Framework for School Age Care in Australia (FSAC)* recognise that responsive learning relationships are strengthened as educators and children learn together, and that educators are more likely to be responsive, purposeful and thoughtful when staffing arrangements at the service allow them to direct their full attending to their work with children

5. The ECEC Workforce Census is managed by the Australian Government Department of Education and Training.

Over half (56%) worked in long day care services, followed by family day care services (17%), outside school hours care services (14%) and vacation care services (12%).

Most of the workforce (90%) was engaged in a contact role, with 83% in a 'primary contact' role and 7% in an 'other contact' role.

The workforce was overwhelmingly female (91%), with males most strongly represented in vacation care (19%) and outside school hours care (18%) services. These figures have shifted slightly since 2010 when the workforce was 94% female, however they remain broadly in line with most other OECD countries, where an average 97% of teachers in pre-primary education are female.⁶

The median age of the workforce was 34 from women and 28 for men. Variation in workforce age across service types is evident, with 56% of vacation care and 53% of outside school hours care staff aged 29 or under, while 56% of occasional care and 49% of family day care staff are aged 40 years or over.

Hours of work

A third (33%) of staff worked on a full time basis (35 to 40 hours per week). Long part-time (20 to 34 hours, 29%) and short part-time hours (up to 19 hours, 27%) followed. Only 11% of staff reported working 41 hours or more per week.

Qualifications

Table 7.2 shows that 85% of paid contact staff had an education and care related qualification in 2016, compared to 80% in 2013 and 69% in 2010.

Years of experience

The average years of experience for paid contact staff was 6.6 years, with staff working in long day care services relatively more experienced (7.3 years) and staff working in family day care services relatively less experienced (5.5 years).

Job tenure

The average years of tenure for paid contact staff at their current service was 3.3 years, with staff working in long day care services having slightly longer tenure (3.5 years) compared to staff working in outside school hours care and family day care services (3.0 years).

Current study

More than one quarter (27%) of all paid contact staff were currently studying, with approaching half (45%) studying Diploma or Advanced Diploma level qualifications. More than a quarter (29%) were studying Bachelor degrees and above, with 23% studying Certificate III level qualifications.

Table 7.2: Number and proportion of paid contact staff⁷ with an education and care related qualification⁷

National ECEC Workforce Census year	Number of paid contact staff with education and care related qualification	Total number of paid contact staff	% of paid contact staff with education and care related qualification
2010	66,381	96,403	69%
2013	85,633	106,634	80%
2016	131,904	154,849	85%

6. OECD (2017), p.23.

7. Table includes paid contact staff only. Paid contact staff refers to those workers who are paid and doing primary or other contact work.

Student enrolment, commencement and completion data

Student enrolment and completion data provides an indication of the emerging and future education and care workforce.

Table 7.3⁸ shows that enrolments in early childhood vocational education and training (VET) courses increased between 2015 and 2016. Enrolments for the Diploma of Early Childhood Education and Care have increased from 67,395 in 2015 to 74,995 in 2016, while enrolments for the Certificate III in Early Childhood Education and Care increased from 51,950 in 2015 to 54,265 in 2016.

Table 7.3: Diploma and Certificate III in ECEC enrolment numbers

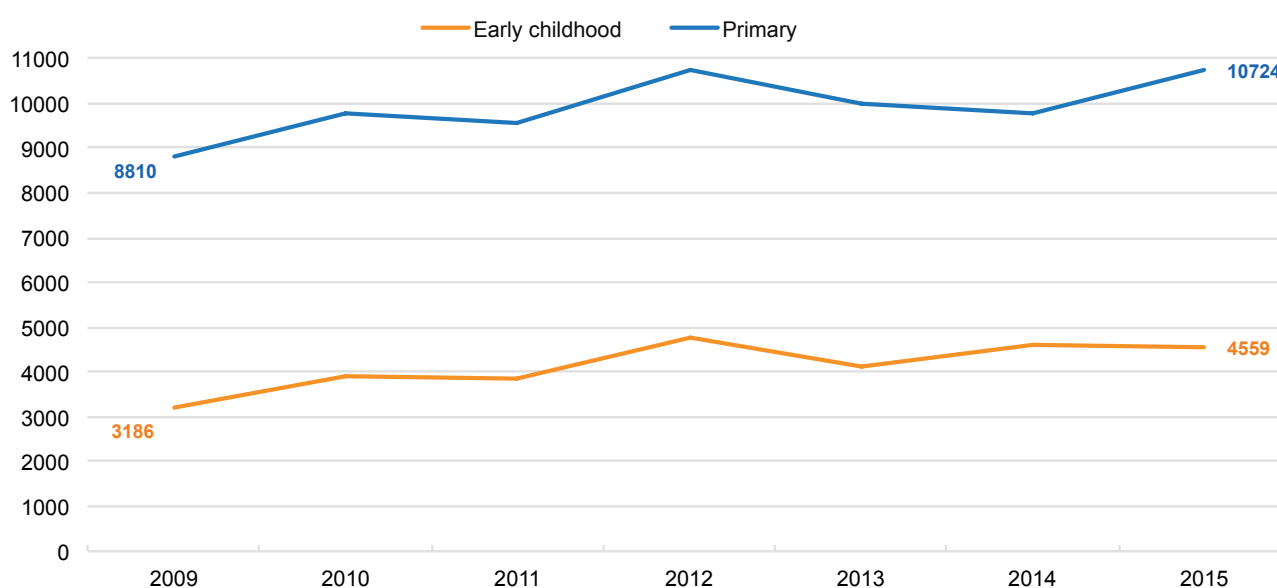
Qualification	2015	2016
Diploma of Early Childhood Education and Care	67,395	74,995
Certificate III in Early Childhood Education and Care	51,950	54,265
Total	119,345	129,260

Figure 7.1 shows the number of students commencing early childhood and primary initial teacher training degrees at Australian higher education institutes from 2009 to 2015. Early childhood degrees typically qualify graduates to teach children aged birth to five years prior to the start of formal schooling. While some primary teaching degrees only qualify graduates to teach in schools, many programs cover birth to eight years or birth to 12 years, qualifying graduates to teach across the early childhood and primary school age range.

Commencement numbers for early childhood initial teaching training degrees increased from 3186 in 2009 to 4559 in 2015, with commencement numbers for primary initial teacher training degrees increasing from 8810 to 10,724 for the same period.

Enrolments for both the Diploma and Certificate III in Early Childhood Education and Care increased in 2016.

Figure 7.1: Early childhood and primary initial teacher training degree commencement numbers

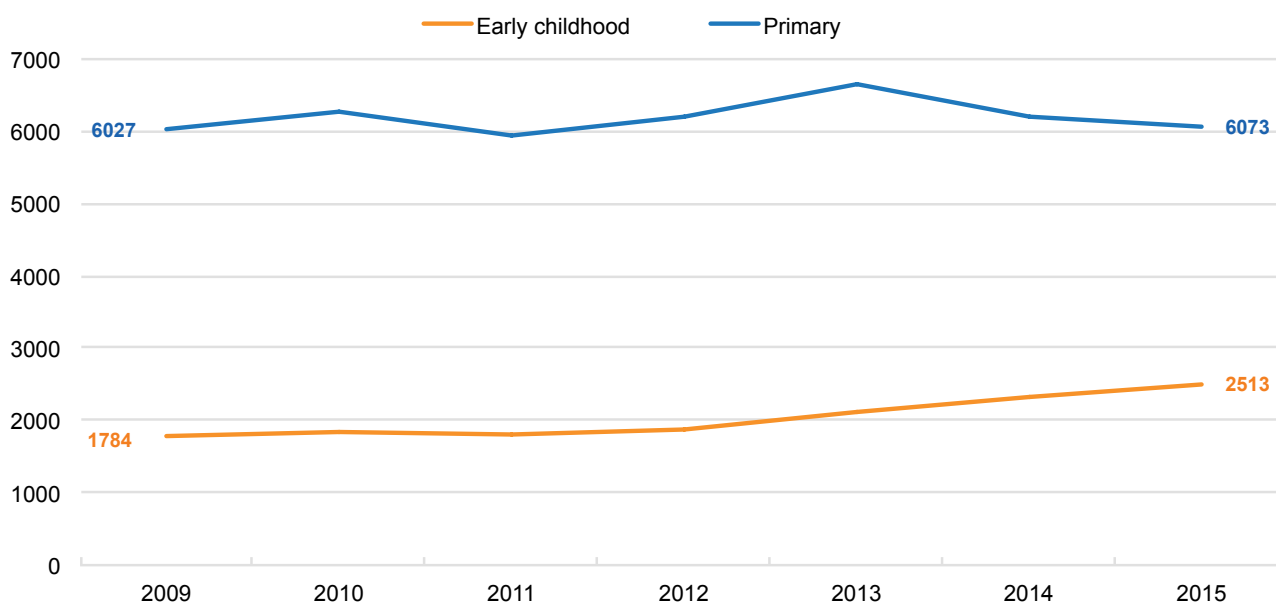


8. National Centre for Vocational Education Research (2016), [Total VET students and courses 2016](#).

Figure 7.2 shows the number of students completing early childhood and primary initial teacher training degrees at Australian higher education institutes from 2009 to 2015. Completion numbers for early childhood initial teacher training degrees increased from 1784 in 2009 to 2513 in 2015, while completion numbers for primary teaching degrees remained close to 6000 for the same period.

Completion numbers for early childhood initial teacher training degrees increased from 1784 in 2009 to 2513 in 2015.

Figure 7.2: Early childhood and primary initial teacher training degree completion numbers



Regulatory framework for qualifications

The NQF includes requirements for educator qualifications and educator-to-child ratios. 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.

These requirements were developed based on research that indicates links between high quality education and care, and positive outcomes for children. High quality education and care for very young children can protect against behavioural issues, increase academic skills and assist the formation of secure attachments.

Recognising the range of different state and territory qualification requirements previously in place, as well as ongoing workforce pressures and challenges, the NQF has progressively introduced higher qualification requirements. For example:

- from 1 January 2014:
 - educators at long day care services and preschools/kindergartens who are included in the educator-to-child ratios must as a minimum be studying towards an approved certificate III level qualification. In addition, half of those educators must have, or be studying towards, an approved diploma level qualification or higher (e.g. a degree in early childhood teaching)

- all family day care educators must have, or be studying towards, an approved certificate III qualification at a minimum
- more children have access to degree-qualified early childhood teachers (ECTs). The exact nature of the ECT requirement depends on the number and age of children attending the service.
- from 1 January 2020, centre-based services with 60 or more children preschool age or under on a given day must have a second ECT or another suitably qualified person. This will apply in all states and territories, apart from New South Wales where a higher requirement is already in place.

ACECQA

ACECQA has the legislative responsibility to determine and approve the qualifications and training that need to be held by educators under the NQF, including:

- early childhood teaching qualifications
- diploma level education and care qualifications
- certificate III level education and care qualifications
- first aid qualifications
- anaphylaxis management training
- emergency asthma management training.

ACECQA publishes a list of approved qualifications. This list is publicly available on the ACECQA website: www.acecqa.gov.au/Qualifications.aspx. ACECQA also publishes lists of qualifications for working with children over preschool age for states and territories with those requirements.

Applications from individuals

Individuals who do not hold an ACECQA recognised or approved qualification can apply for an equivalent qualification assessment. When determining if a qualification is equivalent, ACECQA assesses the qualification

against its published guidelines to ensure approved qualifications have an appropriate pedagogical focus for children aged birth to five years.

As at 30 June 2017, ACECQA has approved more than 4000 individuals for equivalence, including more than 1600 early childhood teachers. The overall approval rate for finalised applications was 79%. The main reasons for unsuccessful applications are insufficient content and practicum with children under five years of age.

Applications from organisations

Training providers, such as universities and registered training organisations (RTOs), must also apply to ACECQA for approval of their early childhood programs. As at 30 June 2017, ACECQA has approved almost 130 applications from organisations wanting their qualifications or training assessed for equivalence. Most of the applications were from organisations seeking to have early childhood teaching qualifications added to ACECQA's published lists.

ACECQA works with higher education providers and training organisations to ensure the development of high quality programs through information sessions and workshops. In addition, ACECQA works with individual training providers throughout the application process to ensure its requirements are met.

Collaboration between partner bodies

The sector, Australian and state and territory governments, and other relevant agencies work closely with ACECQA to streamline accreditation and assessment processes and support the supply of appropriately qualified educators available for education and care service providers.

States and territories and the Australian Government have also implemented a range of initiatives to support the development of the education and care workforce, and enhance capacity and capability.

Australian Institute for Teaching and School Leadership (AITSL)

In October 2011, the Australian Government approved a nationally consistent approach to teacher registration. As part of this strategy, AITSL was established to implement and support nationally consistent standards for teachers, through the Australian Professional Standards for Teachers (APST).

While AITSL's scope is largely school focused, there has been a growing need to recognise the work of teachers in educational settings other than schools, such as early childhood services. In July 2015, AITSL and ACECQA collaborated to develop a glossary to assist the use of the APST in early childhood settings. The glossary is published on the AITSL website.

AITSL is also leading reforms aimed at improving the overall quality of initial teacher education qualifications. In 2016, AITSL released revised Guidelines for the accreditation of initial teacher education programs in Australia that support consistent assessment of prospective teacher education students' personal literacy and numeracy, as well as a formal assessment of teaching performance on a national level.

AITSL is also the skilled migration skills assessment authority for school teacher occupations, including the Early Childhood (Pre-Primary School) Teacher category which covers ECTs in NQF settings, as well as teachers in the early years of primary school. Through the Teacher Qualification Expert Standing Committee (TQESC), ACECQA and other key sector representatives assist AITSL by providing advice on skilled migration for teachers.

In May 2016, on the advice of TQESC, AITSL updated its professional criterion for Early Childhood (Pre-Primary School) Teachers to include consideration of supervised teaching practice with children aged birth to two years. This aligns the AITSL requirements more closely with the ACECQA requirements for approved ECT qualifications.

Teacher Regulatory Authorities

The registration and accreditation of teachers is the responsibility of teacher regulatory authorities operating under state and territory legislation. All states and territories register or accredit teachers broadly in accordance with AITSL's nationally consistent approach to teacher registration including specific qualification, fitness and propriety and English language proficiency requirements.

The requirement for registration and accreditation of teachers working in early childhood services varies by jurisdiction. Currently, registration and accreditation is mandatory for teachers working in early childhood services in Western Australia, South Australia, Victoria and New South Wales.

The sector continues to work closely with teacher regulatory authorities to support the registration and accreditation of ECTs. In 2014, the Victorian Institute of Teaching (VIT) established an Early Childhood Stakeholder Reference Group consisting of key sector representatives to support the introduction of a new registration category for teachers in early childhood settings.

Similarly, in 2016 the New South Wales Educational Standards Authority (NESA) established the Early Childhood Teacher Working Party to provide advice and guidance on the introduction of mandatory teacher accreditation for ECTs.

As the APST remain school-centric, some jurisdictions are developing their own resources to enable ECTs to gain and maintain registration. For example, Victoria has published a version of the APST which uses more inclusive language. New South Wales and Queensland are also developing early childhood specific resources to assist ECTs navigate the requirements of the APST.

The teacher regulatory authorities also accredit initial teacher education programs offered by higher education institutions in their jurisdictions, broadly in accordance with the AITSL Guidelines.

ACECQA collaborates with the teacher regulatory authorities, AITSL and the higher education regulator, the Tertiary Education Quality Standards Agency (TEQSA), to support a streamlined assessment process and reduce administrative burden for higher education providers who offer birth to eight and birth to twelve initial teacher education programs.

Australian Skills Quality Authority (ASQA)

Established in 2011, ASQA is the regulatory body for the VET sector in the Australian Capital Territory, Northern Territory, New South Wales, Queensland, South Australia and Tasmania. It is responsible for both the approval of new RTOs and ongoing monitoring of compliance against the VET Quality Framework.

Where risks to the VET sector are identified, ASQA undertakes in-depth Strategic Reviews to develop recommendations to address systemic issues. In 2015, ASQA conducted a strategic review of training for early childhood education and care in Australia. The review found that most RTOs experienced difficulty complying with assessment requirements, that courses were often unduly short and that work placements were often poorly undertaken.

In 2017, ASQA undertook a strategic review examining the issues relating to course duration, particularly unduly short training, across the VET sector. The final report highlighted issues relating to early childhood education and care training courses and recommended introducing a mandatory minimum amount of training for new learners.

ACECQA continues to advocate for higher vocational training quality. In March 2016, ASQA and ACECQA jointly facilitated an early childhood education and care sector roundtable to discuss ongoing concerns about the quality of vocational education and training. A follow up roundtable was held in November 2016 to provide an update on collaborative work.

SkillsIQ

SkillsIQ Limited is the skills service organisation appointed by the Australian Industry and Skills Committee (AISC) to develop and maintain the vocational qualifications and training for the children's education and care workforce, in particular the Certificate III and Diploma in Early Childhood Education and Care. SkillsIQ took over this work from the former training package developers, the Community Services and Health Industry Skills Council (CS&HISC).

In February 2017, the AISC approved the SkillsIQ Industry Skills forecast that identified priority development for the early childhood education and care qualifications. The early childhood education and care qualifications were last reviewed and endorsed in 2013 by CS&HISC shortly after the introduction of the NQF.

The 2017-18 review of the qualifications is guided by the Children's Education and Care Industry Reference Committee (IRC). The IRC comprises representatives from state and territory governments, peak associations, employers, training providers and unions.

As a member of the IRC, ACECQA continues to advocate for high quality training outcomes through strengthening requirements for minimum course durations, mandatory work placements and consistent assessment, including consistent and appropriate Recognition of Prior Learning. ACECQA and sector stakeholders will also review the course content of the vocational qualifications and training for the children's education and care workforce to ensure it adequately covers key NQF concepts.

Staffing arrangements quality rating results

Quality Area 4 of the NQS comprises two standards that explicitly address important staffing requirements. A description of these standards and their underlying elements is provided in **Table 7.4**.

Figure 7.3 compares performance against Quality Area 4 over time, showing the proportion of services that were rated Meeting NQS or above.

As at 30 June 2017, 92% of services were rated Meeting NQS or above in Quality Area 4, up from 88% as at 30 September 2013.

Table 7.4: Quality Area 4 (Staffing arrangements) standards and elements

Standard 4.1 Staffing arrangements enhance children’s learning and development and ensure their safety and wellbeing

4.1.1 Educator-to-child ratios and qualification requirements are maintained at all times

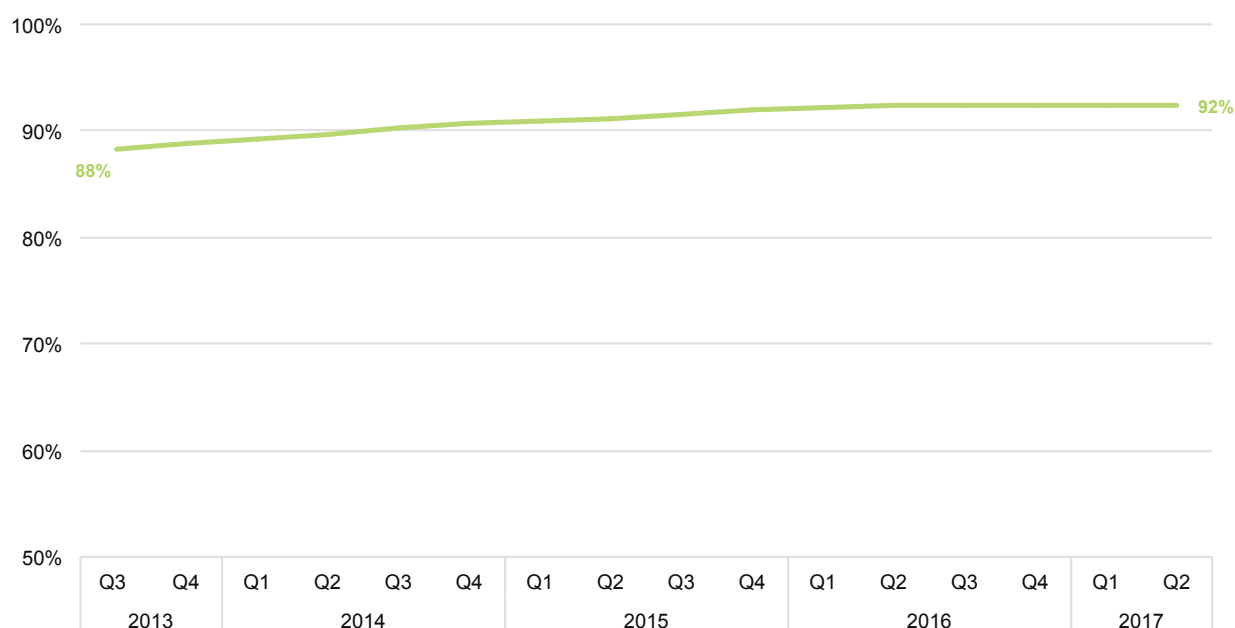
Standard 4.2 Educators, co-ordinators and staff members are respectful and ethical

4.2.1 Professional standards guide practice, interactions and relationships

4.2.2 Educators, co-ordinators and staff members work collaboratively and affirm, challenge, support and learn from each other to further develop their skills, to improve practice and relationships

4.2.3 Interactions convey mutual respect, equity and recognition of each other’s strengths and skills

Figure 7.3: Proportion of services rated Meeting NQS or above for Quality Area 4

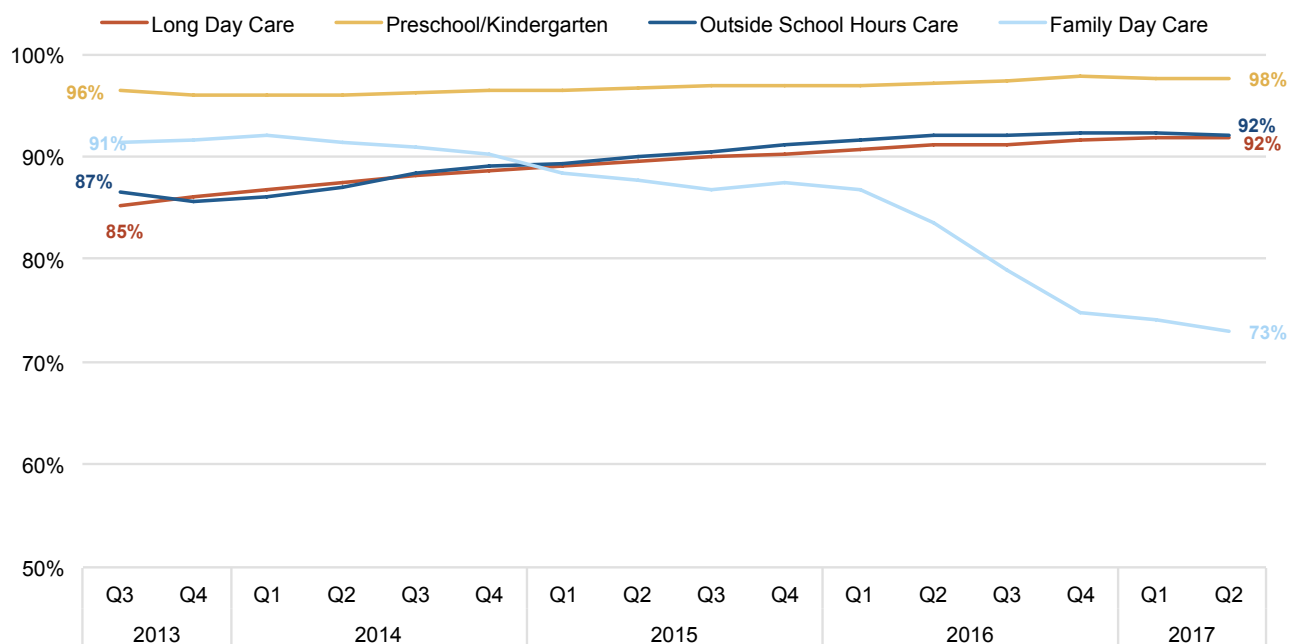


Service type

Figure 7.4 shows that the proportion of services rated Meeting NQS or above for Quality Area 4 increased over time for all service types, except for the family day care sector, which decreased from 91% at Q3 2013 to 73% at Q2 2017. This is likely due to state and territory regulatory authorities initially rating more well established services before they began rating a higher proportion of newer, less established services. It is also related to issues some state and territory regulatory authorities have come across where some family day care educators have been found not to comply with qualification requirements outlined in Quality Area 4.

The proportion of services rated Meeting NQS or above for Quality Area 4 increased over time for all service types, except for the family day care sector, which decreased from 91% at Q3 2013 to 73% at Q2 2017.

Figure 7.4: Proportion of services rated Meeting NQS or above for Quality Area 4, by service type



Remoteness classification

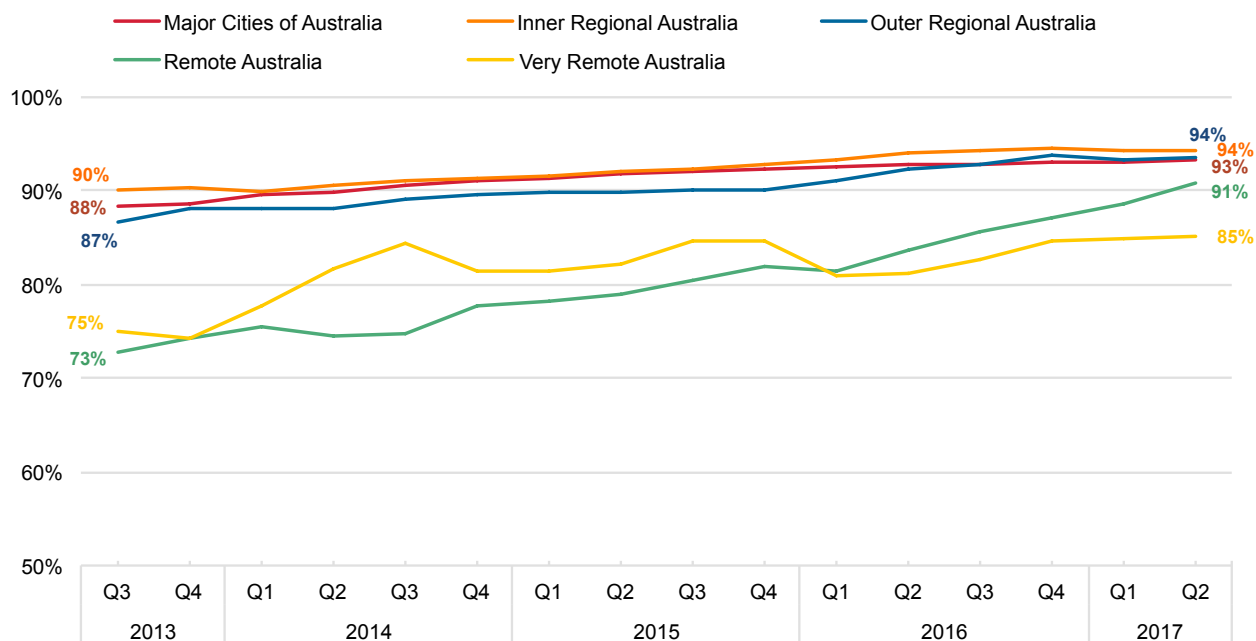
Figure 7.5 presents the distribution of centre-based services rated Meeting NQS or above for Quality Area 4 over time according to the Accessibility/Remoteness Index of Australia (ARIA+).⁹

As at 30 June 2017, Inner Regional areas (94%), Outer Regional areas (94%) and Major Cities (93%) had the highest proportion of services rated Meeting NQS or above for Quality Area 4. In contrast, Remote (91%) and Very Remote areas (85%) had the lowest proportion. Attracting and retaining staff can be a significant and complex challenge for remote and very remote services, with these services less likely to be rated Meeting NQS or above than services in metropolitan areas for Standard 4.1.

It should however be noted that the proportion of services in Remote and Very Remote Areas rated Meeting NQS or above has markedly increased over time.

Attracting and retaining staff can be a significant and complex challenge for remote and very remote services.

Figure 7.5: Proportion of centre-based services rated Meeting NQS or above for Quality Area 4, by remoteness classification



9. Family day care services are excluded from remoteness classification because their approval is not specific to one location.

Staffing waivers

Under the NQF, regulatory authorities may issue a waiver if an approved provider can demonstrate difficulty meeting requirements in relation to staffing arrangements or physical environment (either on a temporary or permanent basis). Waivers play an important role in helping providers maintain their level of service while meeting the requirements of the NQF or dealing with unexpected events.

Figure 7.6 shows that, as at 30 June 2017, 3.9% of services held a staffing waiver. Periodic increases in the proportion of services with staffing waivers reflect some services experiencing short term difficulties in meeting new qualification requirements that came into effect on 1 January 2014 and 1 January 2016.¹⁰

The majority of staffing waivers are temporary waivers that apply for no longer than 12 months.

Table 7.5 shows that of the 607 temporary waivers in place at 30 June 2017, 87% were for staffing arrangements. The high proportion of temporary waivers for staffing is indicative of the nature of recruitment, as a provider may apply for a temporary waiver while they are recruiting to fill a position.

Figure 7.7 shows that services in Remote (11.1%) and Very Remote areas (7.4%) had the highest proportion of staffing waivers, reflecting the increased difficulty of recruiting and retaining staff in those locations.

Figure 7.6: Proportion of services with a staffing waiver

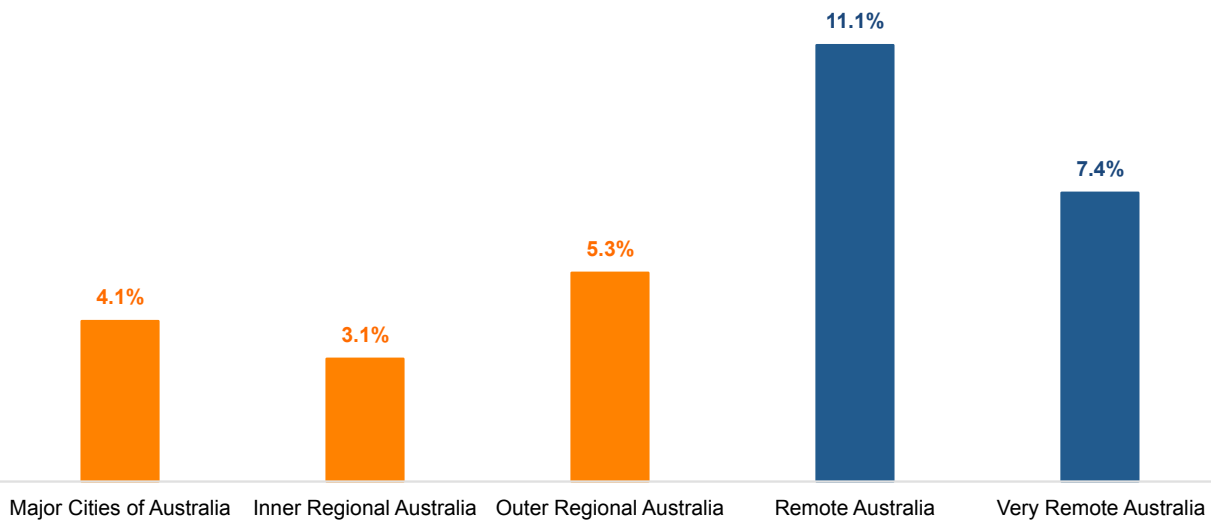


10. For further information about the 2014 requirements, see <http://www.acecqa.gov.au/Early-childhood-teaching-qualifications>. For further information about the 2016 requirements, see <http://acecqa.gov.au/national-quality-framework/educator-to-child-ratios>.

Table 7.5: Number of waivers by waiver requirement and type, as at 30 June 2017

Waiver requirement	Service	Temporary	Service and temporary	Total
Physical	280	76	1	357
Staff	51	530	2	583
Both	0	1	23	24
Total	331	607	26	964

Figure 7.7: Proportion of centre-based services with a staffing waiver by remoteness classification, as at 30 June 2017¹¹



11. Family day care services are excluded from remoteness classification because their approval is not specific to one location.

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- Australian Children's Education and Care Quality Authority (2013), [*Guide to the National Quality Standard*](#), Sydney.
- Australian Government (2016), [*Early Childhood Education and Care National Workforce Census*](#), Canberra.
- COAG (2009), [*Investing in the Early Years - A National Early Childhood Development Strategy*](#), Canberra.
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Key messages

- One of the objectives of the National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18 is to deliver an integrated and unified national system, which is jointly governed and drives continuous improvement in the quality of education and care services.
- This objective closely relates to the National Quality Framework's (NQF) objectives of promoting continuous quality improvement and establishing a nationally integrated system with shared responsibility.
- The NQF was created through an agreement between all state and territory governments, and the Australian Government.
- The National Partnership on the National Quality Agenda for Early Childhood Education and Care 2015-16 to 2017-18 articulates the roles and responsibilities of the Commonwealth, state and territory governments and ACECQA, including the shared roles and responsibilities.
- The regulatory authority in each state and territory is primarily responsible for administering the NQF, including approving, monitoring and quality assessing services.
- ACECQA works with all governments to guide the implementation and administration of the NQF. Amongst other things, ACECQA approves educational qualifications, provides training, guidance and support, and administers the National

Quality Agenda IT System. ACECQA is accountable to all governments through the COAG Education Council.

- ACECQA, in partnership with all governments, has developed an NQF Evaluation Framework so that government policy makers and their regulatory agencies have an agreed way of understanding whether the NQF is meeting its objectives, and in what ways.
- The COAG Education Council authorises and oversees the implementation and administration of the NQF. The Council includes state, territory and Australian Government Ministers with portfolio responsibility for school education, early childhood and/or higher education.
- The Council receives strategic support and advice to fulfil this role from the Australian Education Senior Officials Committee (AESOC), which comprises Directors General, Secretaries and/or Chief Executives with responsibility for school education and/or early childhood. AESOC is supported by a number of Standing Working Groups on matters of early childhood policy and data strategy.
- National consistency under the NQF is most importantly about the outcomes that result from the way the NQF is administered.
- National consistency and interjurisdictional sharing of knowledge, learning, innovation and problem solving is promoted through the NQF Regulatory Practice Committee. The Committee comprises senior representatives from each state and territory regulatory authority, the Australian Government and ACECQA.

Overview

The National Quality Framework (NQF) represents a significant, long-term reform that is the result of an agreement between all governments to work together to provide better educational and developmental outcomes for children.

The success to date of this reform is due in no small part to the support from service providers and peak bodies for the main components of the reform, and national collaboration between governments and the regulated sector (see **Figure 8.1**).

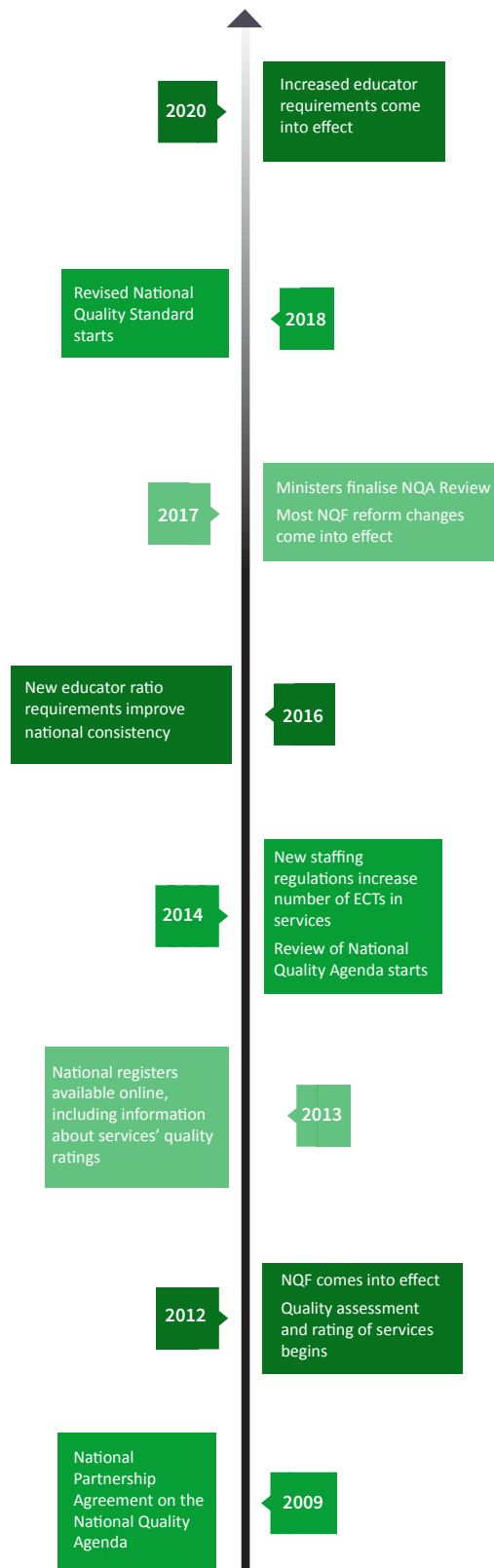
The NQF is a central plank in delivering on COAG's commitment in 2009 – as articulated in the *Investing in the Early Years* National Early Childhood Development Strategy – to improve outcomes for all children by building a better early childhood development system that responds to the needs of young children, in particular, vulnerable children and their families.

The results of this collaboration by all state, territory and Australian Government Ministers include national agreement to the Education and Care Services National Law and Regulations, which established a national quality framework for the delivery of education and care services to children. In doing so, all governments worked together to agree the following objectives of that quality framework:

- To ensure the safety, health and wellbeing of children attending education and care services
- To improve the educational and developmental outcomes for children attending education and care services
- To promote continuous improvement in the provision of quality education and care services
- To establish a system of national integration and shared responsibility between participating jurisdictions and the Commonwealth in the administration of the national education and care services quality framework

- To improve public knowledge, and access to information, about the quality of education and care services
- To reduce the regulatory and administrative burden for education and care services by enabling information to be shared between participating jurisdictions and the Commonwealth.

Figure 8.1: NQF timeline



NQF Governance

The NQF has delivered an integrated and unified national system for the regulation of education and care services, which is jointly governed by all governments and designed to drive continuous improvement in the quality of services. It replaces separate licensing and quality assurance processes that were in place before 2012.

It also introduced a National Quality Standard (NQS) in 2012 to improve education and care across long day care, family day care, preschool/kindergarten and outside school hours care services.

The NQF includes:

- the [National Law and Regulations](#)
- the [NQS](#)
- a [quality assessment and rating process](#)
- [national learning frameworks](#).

The national legislative framework that governs the NQF was established through an applied law system and consists of:

- the [National Law](#)
- the [National Regulations](#).

The regulatory authority in each state and territory is primarily responsible for administering the NQF, including approving, monitoring and quality assessing services. ACECQA works with all governments to guide the implementation and administration of the NQF.

The remainder of this chapter sets out the roles and responsibilities of the parties involved in the governance and administration of the system, and their supporting structures.

The National Quality Framework has delivered an integrated and unified system of regulation.

Summary of roles and responsibilities of regulatory authorities, ACECQA and the Australian Government

Regulatory authorities have day-to-day contact with education and care services for most issues, such as:

- granting all approvals, including provider and service approvals
- assessing and rating services against the NQS
- granting all waivers, including temporary and staffing waivers
- monitoring and enforcing compliance with the National Law and Regulations, including investigating serious incidents and complaints
- taking compliance and enforcement action against providers of services, including revoking provider and service approval as necessary.

ACECQA is the national statutory authority established under the National Law to work with all governments to guide the implementation and administration of the NQF. ACECQA's roles include:

- research, education and awareness raising to inform policy makers, the sector, parents and the community
- providing guidance and support for education and care providers, services and educators
- managing the National Quality Agenda IT System (NQA ITS) to provide an efficient and effective online business tool for states and territories and the sector
- performing a range regulatory functions with respect to educator qualifications, second tier reviews of quality ratings, and determining applications for the Excellent rating.

The Australian Government is a party to, and financial contributor to other parties under, the National Partnership Agreement on the National Quality Agenda, and has a role in monitoring and assessing performance under the Agreement.

State and territory regulatory authorities, the Australian Government and ACECQA work collaboratively on a broad range of issues, notably strategic and operational policy issues. Collaboration also occurs to educate and inform education and care services and the community about the NQF, and to support and promote continuous improvement in the quality of services.

Major activities

Governments and ACECQA undertake a wide variety of activities to identify, implement and review approaches to promote consistency and efficiency under the NQF. Governments and ACECQA also collaborate with a range of stakeholders, including providers, educators and peak bodies, families and carers, and higher education, vocational training, and qualification and research bodies.

NQF guidance materials were extensively revised in preparation for [changes to the NQF](#), which were introduced from October 2017. A new Guide to the NQF replaced the former NQF Resource Kit for educators and providers, and the Operational Policy Manual for regulatory authorities, creating a single source of guidance. The Guide is regularly reviewed by ACECQA and regulatory authorities to address potential knowledge gaps and provide increased guidance as required.

Reporting and accountability

The NQF has a joint system of governance with a number of committees providing strategic oversight over specific aspects of the framework to ensure that it is being implemented as intended and meeting its objectives. Each of these bodies has representatives from every state and territory government and the Australian Government. An [NQF Evaluation Framework](#) has been

developed so that governments and their regulatory agencies have an agreed way of understanding whether the NQF is meeting its objectives, and in what ways.

The following section provides a summary of the main governance bodies that oversee the NQF, as well as the bodies established to promote effective and efficient regulatory practice.

Education Council

The COAG Education Council provides a forum through which strategic policy on school education, early childhood and higher education can be coordinated at the national level, with information shared and resources used collaboratively to address issues of national significance. Membership of the Education Council includes state, territory and Australian Government Ministers with portfolio responsibility for school education, early childhood and/or higher education. By connecting early childhood, school education and higher education, the Council aims to ensure that integrated Australian education systems promote high achievement for all students.

Australian Education Senior Officials Committee (AESOC)

The Education Council is primarily supported by a group of senior officials with responsibility for school education, early childhood and higher education.

AESOC is responsible for:

- providing policy advice to Ministers in areas of national significance
- supervising and coordinating priority work across the Council's working group structure
- resolving issues to the extent possible before progressing advice to Council
- managing jurisdictional funding contributions for nationally agreed projects and initiatives through the Council Secretariat.

Early Childhood Policy Group (ECPG)

ECPG provides high-level strategic policy advice to AESOC on all early childhood related components of the Education Council strategic reform framework.

Data Strategy Group (DSG)

DSG provides high-level strategic data policy advice to AESOC to support the Education Council strategic reform framework and the development of evidencebased policy, including monitoring and reporting on school education and early childhood outcomes.

NQF Regulatory Practice Committee (RPC)

RPC consists of senior representatives from each state and territory regulatory authority, the Australian Government and ACECQA. The committee's purpose is to provide:

- all state and territory regulators and ACECQA with a forum for improving regulatory practice
- a forum for all state and territory regulators, the Australian Government and ACECQA to collectively inform and/or authorise a range of functions and services provided by ACECQA.

National Quality Agenda IT System Steering Group (NSG)

The NQA ITS supports the administration of the NQF and enables state and territory regulatory authorities and ACECQA to meet regular and ad-hoc reporting requirements, and publish online registers as required by the National Law.

The NQA ITS supports the effective administration of the National Quality Framework.

The role of NSG is to:

- consider significant issues relating to the NQA ITS and make decisions or recommendations to RPC as appropriate
- identify high-level, strategic priorities for the system
- report to the RPC on the status of the NQA ITS
- manage the quality and consistency of the data held within the NQA ITS.

Communications Working Group (CWG)

CWG provides members with the opportunity to share NQF communications strategies, ideas and resources to ensure consistent and timely messaging and activities.

CWG:

- provides an open and transparent forum for members to discuss NQF communication issues and work through them in practice
- encourages collaborative work between members to support continuous improvement in quality and consistency across the children's education and care sector
- develops stakeholder communication strategies as directed by RPC.

Lead Assessor Network (LAN)

State and territory regulatory authority lead assessors, who are tasked with overseeing the assessment and rating process in their jurisdiction and providing mentoring and support to authorised officers, meet twice a year.

The two-day LAN meetings provide a valuable opportunity for lead assessors to come together with ACECQA staff to discuss and prioritise the training and support needs of authorised officers, consider emerging trends and issues, and analyse assessment and rating data.

Approach to consistency under the NQF

In the context of the NQF, consistency is most importantly about the outcomes that result from the way the NQF is administered.

National consistency is not an end in itself. Achieving consistent outcomes for children and families is the focus of collaborative efforts between ACECQA, the state and territory regulatory authorities, and the Australian Government. This focus on consistent *outcomes* rather than consistent *process* has guided ACECQA's consistency function.

ACECQA's approach to national consistency under the NQF is governed by the best practice regulation principles. These principles are summarised below.

Outcomes focussed

National consistency is pursued to:

- promote improved quality outcomes for children, families and carers
- further children's safety, health, wellbeing and development
- increase efficiency and reduce unnecessary burden for providers of education and care services
- complement the objectives of the National Law.

Proportionality and efficiency

The design and application of national consistency strategies are proportionate to the problem or issue they are seeking to address. Effort and resources are efficiently prioritised to areas where, based on the available evidence, the potential benefits and risks are more significant.

Responsiveness and flexibility

Consistent regulatory interventions are based on the available evidence, remain relevant and appropriate by responding to changes in the sector, and are sufficiently flexible so as not to constrain appropriate and desirable innovation and diversity.

Transparency and accountability

Efforts to enhance national consistency are open, transparent and accountable to public and sector scrutiny, including the regular reporting of performance information about national consistency.

Communication and engagement

Engaging appropriately with stakeholder groups (such as government agencies, the regulated sector and service users) about national consistency makes related activities more transparent, efficient and effective.

Mutual responsibility and cooperation

ACECQA, regulatory authorities and the Australian Government all have roles and responsibilities in relation to consistency. These are acknowledged and understood, and help direct mutually productive and beneficial working relationships. Cooperation and coordination is critical to improve the efficiency, consistency and predictability of regulatory systems. This also means that public resources are employed effectively, reducing duplication of regulatory effort.

In the context of the National Quality Framework, consistency is most importantly about the outcomes that result from the way the NQF is administered.

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