

National Strategy for the Care and Support Economy



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Acknowledgement of Country

Early Learning Association Australia (ELAA) acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation and the Traditional Custodians of the lands on which we work. We recognise their continuing connection to culture, land, water, and community. We pay our respects to Elders past and present.

About Us

Early Learning Association of Australia (ELAA) is the national peak body championing excellence in early learning for all children. We enable service providers to deliver quality early childhood education and care and provide advocacy, high quality advice and resources, in a collaborative, equitable way. ELAA is the voice for service providers and represent over 14,000 service sites that deliver a range of early childhood education and care, predominately kindergarten and long day care, across Australia.

Introduction

ELAA welcomes the draft National Strategy for the Care and Support Economy by the Department of the Prime Minister and Cabinet, the goals outlined by this strategy and their inclusion of ECEC. ELAA's submission on the draft National Strategy identifies the unique complexities associated with the ECEC sector and how these compare with other care and support sectors. This includes specific recommendations highlighting how the ECEC sector contributes to the care and support economy and how this can be improved.

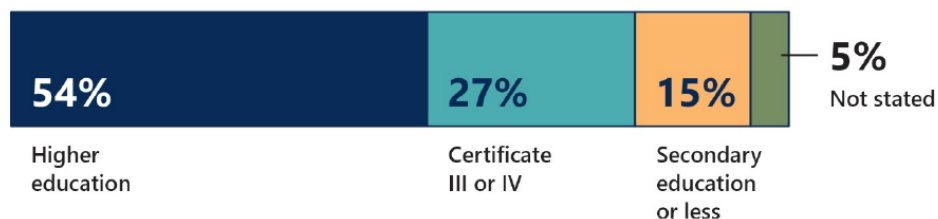
All recommendations focus on an ECEC perspective but are applicable to other care and support sectors. Below is a summary of ELAA's recommendations to the Prime Minister and Cabinet's draft National Strategy for the Care and Support Economy:

- manage the market by examining the New Zealand approach and limiting the capacity of services and providers to grow unless they meet or exceed the National Quality Standards
- ensure services that do not meet the National Quality Standards (NQS) are rated annually, and all other services every three years, further strengthening the consistency and regularity of rating against the NQS
- avoid compromising on quality and qualification when addressing workforce shortages
- that the draft National Strategy for the Care and Support Economy advocates for an increase in wages and conditions for the ECEC workforce
- to acknowledge the important role that upskilling the workforce has on worker retention
- streamline the process of visa applications, reducing double handling and making applications accessible for more migrant workers
- for the National Strategy for the Care and Support Economy to actively encourage the implementation of menstruation, perimenopause, and menopause wellbeing policies
- for there to be practical working arrangements such as increased access to toilet breaks during menstruation, for Care and Support workers who often work in roles that limit their ability to access female hygiene products.

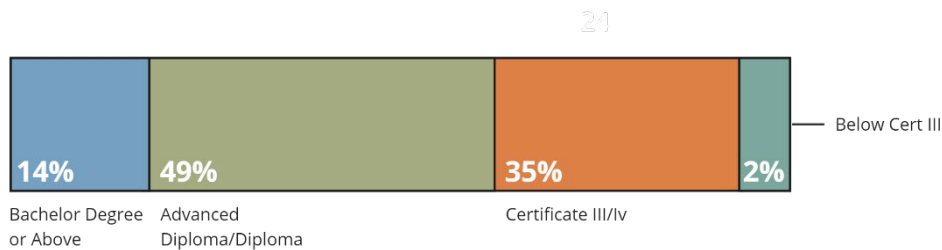
What is the Early Childhood Education and Care sector?

The draft National Strategy provides a 'surface level' analysis of the ECEC sector's workforce demographic. It defines the number of workers in the sector and references the disproportionate level of female to male participation, with the current workforce being made up of 96% female teachers and educators. However, the figures below provide additional understanding to the qualification levels found in the ECEC sector and how they compare to the rest of the care and support economy. ECEC is highly regulated with set ratios depending on qualification level to number and age of children.

Figure 7. Skills profile of the care and support workforce³²



Skills profile of the Early Childhood Education and Care workforce



ECEC is predominantly made up of small, single service site kindergartens and long day care centres. These operate as small businesses, some operated by a volunteer committee as the approved provider. This also can limit their ability to respond to change in the sector and may mean that they need additional support from Governments when policy changes are implemented.

ECEC sits between the education and the care and support sectors. The ECEC sector offers a quality monitored framework that focuses on educating and supporting the development of Australian children. Whilst understanding that the sector does offer care and support to these children, the educational aspect of ECEC provides it with a unique difference to other care and support sectors considered in the draft National Strategy for the Care and Support Economy.

Improving qualifications and training

All children benefit from attending quality ECEC with data linking attendance at a quality ECEC program to later outcomes. For example, Warren and Haisken-DeNew (2013) illustrate how children who attended an ECEC service in the year before school staffed with a diploma or bachelor qualified educator achieved higher average NAPLAN scores once they progressed to school.

The impacts of participation in quality ECEC are felt earlier than the preschool years, with much of a child's brain development occurring in the first three years of life. For example, Sheila Degotardi found a huge gulf in language that babies are exposed to depending on educator qualifications. Babies are exposed to around 11 words per minute in rooms where educators are least qualified, compared to 50 words per minute where they are bachelor trained. This difference can impact children's ongoing communication and language development, including their capacity to learn in school, with children less likely to meet literacy benchmarks if they are not exposed to sufficient

language when under three (Degotardi & Gill, 2019). Given this, it is important that in prioritising access to ECEC we do not lose sight of quality as diminished standards increase the risk of children not reaping the educational benefits of ECEC.

Although the draft National Strategy acknowledges the significant advances that the ECEC sector has made in professionalising its workforce, it is important that objective 2.3 and the Priority Workforce Initiatives Action Plan are implemented through consultation with the ECEC sector, as per the National Workforce Strategy “Shaping Our Future”, that commits all Australian governments to work with the education community (2021).

In 2023 The Australian Children's Education & Care Quality Authority (ACECQA) released a public consultation document for their review of National Quality Framework (NQF) Staffing and Qualifications Regulations (ACECQA, 2023). This document posed the concept of reducing the minimum qualification required by ECEC workers to increase the potential ECEC labour pool. ELAA met with members and stakeholders, and it was agreed that there should be no compromise on workforce quality. The National Strategy must reinforce the position that reducing workforce qualification is not a viable solution to ECEC workforce shortages.

Recommendation

Avoid compromising on quality and qualifications when addressing workforce shortages.

An effective and high quality ECEC sector benefits all

Who benefits the most from ECEC?

On average, more than one in five children start school behind their peers. Children's developmental outcomes vary across Australia by geography, socio-economic status, and children's cultural and linguistic backgrounds. We know high quality Early Childhood Education and Care can change a child's life trajectory.

Developmental vulnerability is measured through a triennial census of all children in their first year of school - the Australian Early Development Census (AEDC), and measures vulnerability in five areas, known as domains, that predict children's long-term outcomes. These domains are:

- physical health and wellbeing
- social competence
- emotional maturity
- language and cognitive skills (school-based)
- communication skills and general knowledge (Australian Early Development Census, 2021).

Across Australia more than one in five children (in excess of 60,000 children) are developmentally vulnerable. However, not all children are impacted equally, and it is therefore essential that the quality of ECEC is not compromised, despite the workforce issues that the sector faces. ECEC workers provide trauma informed care, and their services offer vulnerable children and families exposure to effective intervention methods and supports to greatly improve their quality of life.

Lifting quality across the system

Quality ECEC is measured at a national level through the National Quality Standards. Government and community managed ECEC services are more likely to meet or exceed the National Quality Standards.

Families must be able to rely on quality assessment of ECEC services, but the pace slowed during COVID. Data from ACECQA illustrates many services have not had quality assessments in the past five years (Percel, 2022). Additional funding is needed to regularly assess services and the quality of assessments need to be consistent across the country (and within jurisdictions). Further, if we are to fund ECEC as a driver of children’s learning and development there must be consequences for services that continually fail to achieve the ‘meeting’ standard.

Recommendation

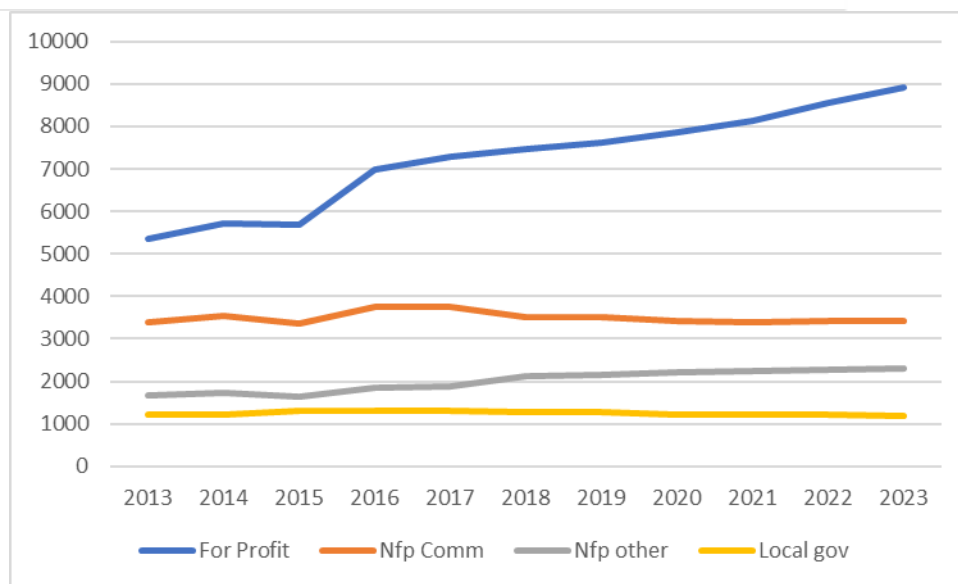
Ensure services that do not meet the National Quality Standards are rated annually, and all other services every three years, further strengthening the consistency and regularity of rating against the NQS.

Managing the market for quality

Low barriers faced by new providers wishing to enter the ECEC market impact quality. New providers regularly enter crowded markets and can result in the closure of quality, established services as parents may perceive newer facilities as more desirable and/or the new service may initially compete on price. Competition to operate services in areas that can command higher fees also inflates rents, making entry prohibitive to not-for-profit providers.

The graph below shows changes in ownership over the past ten years, with a growth in for-profit ECEC provision and a flatlining of not-for-profit provision.

Data obtained from: ACECQA NQAITS quarterly data



Australia is not alone in this regard with New Zealand embarking upon a new approach to managing the market through Network Management. New Zealand providers must apply to open a new service and will be assessed against characteristics such as local demand, quality, viability, and capacity to address priorities such as providing culturally diverse services, and meeting learning support needs of children (Education in New Zealand, 2023).

Managing the market is not sufficient on its own as not-for-profit community services often lack access to capital necessary to expand. Governments seeking to maximise outcomes in ECEC, for example by investing in infrastructure to address ECEC deserts, should prioritise quality and children’s outcomes and direct additional investment to the not-for-profit community services. New

approaches may also be needed to support the not-for-profit community sector to grow its footprint. Not-for-profit services often rely upon volunteer governance to support the efficiency of operations, but this is not always sustainable given the necessary regulatory burden on ECEC providers.

Recommendation

Manage the market by examining the New Zealand approach and limiting the capacity of services and providers to grow unless they meet or exceed the National Quality Standards.

Providing decent jobs by focussing on wages, conditions, and pathways

The ECEC sector has issues in common with the care and support economy, including a female dominated workforce, worker burn out, remuneration issues and a limited workforce. A range of factors influence workforce attraction and retention, including but not limited to wages. A survey conducted by the United Workers Union indicated that 37% of educators did not intend to stay in the sector long-term and of this group 74% intended to leave within the next three years. Over a quarter (26%) said they would be leaving in the next 12 months (2021). The same survey provided insight into the different pressures that the workers were feeling. These included administrative burdens, unpaid overtime, additional workload, feeling undervalued and the extra pressure high turnover has on both the teaching team and the children.

There are better conditions offered in parts of the ECEC sector. In Victoria, the Victorian Government subsidised Victorian Early Childhood Teachers and Educators Agreement (VECTEA) provides a funding supplement for teachers. Under this agreement, kindergarten teachers earn wages and experience conditions similar to their peers in the school system and, as a result, vacancies for teachers are lower in these settings. Trends in Community Children's Services Survey (TICCS) data also shows the strong link between worker retention and pay and conditions.

To improve outcomes for vulnerable and disadvantaged children, we need to ensure they have a stable, well-trained workforce, and vulnerable families cannot afford to subsidise educator wages. Wages across the ECEC sector must be comparable with the school's sector, given the alignment in qualifications and the drift of the workforce to the higher paid sector. Additionally, building a pipeline of educators and teachers is possible as shown in Victoria which has much lower levels of staff ratio waivers due, in part, to significant workforce investments in incentives to upskill. The recent Federal Budget investment to fund the cost of beginning teacher practicum is welcome, however ongoing support for upskilling across the sector is needed to build the workforce.

Recommendations

- that the draft National Strategy for the Care and Support Economy advocates for an increase in wages and conditions for the ECEC workforce
- to acknowledge the important role that upskilling the workforce has on worker retention.

Utilising a migrant workforce

It is understood in the draft National Strategy that workforce shortages are a significant challenge for the care and support sectors. Skilled migration plays a part in rectifying these shortages. The draft National Strategy states that migrant workers make up 35% of the ECEC workforce, which provides the sector with a significant number of much needed workers. Regional and rural areas experience further workforce shortages than other parts of Australia, due to housing and population levels. Some services have utilised the Designated Area Migration Agreements (DAMA) for their centres when they have experienced recruitment issues.

The Government has committed to increasing the Temporary Skilled Migration Income Threshold (TSMIT) to \$70,000 from July 1, 2023. This salary currently sits significantly above the existing award rate for Certificate III Educators, which naturally limits the ECEC sector's ability to access this essential pool of workers.

The draft National Strategy references the new Aged Care Industry Labour Agreement. A new ECEC Industry Agreement would need to incorporate a lower TSMIT threshold and provide pathways that attract skilled migrants to regional and remote communities.

By opening 494 Visas up to ECEC and other care and support sectors, there will be an increased incentive for migrant workers to fill job vacancies in regional and rural parts of Australia, where it is difficult for migrants to access community support.

ELAA believes that when considering migration in the ECEC sector, two aspects must be amended.

1. Visa Assessing Authority – ACECQA: ELAA agrees that ACECQA is necessary for the upkeep of education and quality standards, but the visa requirements are essentially checked again when applying for teacher registration in all Australian states. For visa purposes, if a migrant is coming to work in the ECEC sector we wonder if the need for applying for AITSL (ECTs) and ACECQA (Centre Managers and Group Leaders) could be removed before granting of the visa, knowing that the various state regulatory bodies will still require this information to pass registration. Processing time for AITSL and ACECQA is lengthy, and this would substantially reduce the time and stress involved in getting visas and double handling in getting registered.
2. Improving visa processing: the improvements in recent years around visa processing time have been great and clearly shows the ability to quickly improve times with more case officers. Most migrants looking to work in ECEC do not have migration lawyers or agents and are reliant on the service they are going to be working at for support. This is very hard to do for a service who is looking to sponsor someone, both because of time involved but also because they are not registered migration officers so are not able to give the support that is required.

Recommendation

Streamline the process of visa applications, reducing double handling and making applications accessible for more migrant workers.

Supporting women's productivity

The draft National Strategy recognises that the ECEC workforce is overwhelmingly female with over 92% across the ECEC sector. However, the age distribution of the workforce varies significantly. The average age for female workers in ECEC is 37 (2021, Early Childhood Education and Care National Workforce Census report) and over 36% of the workforce is 40 years and over. In Victoria, the kindergarten workforce is older than the Victorian average across other sectors, with a high number of educators aged 45-55, whereas in long day care there is a higher proportion of the workforce in their 20s (2020, Sector Snapshot – Early Childhood Education and Care).

Workplace policies need to reflect the fact that females are the overwhelming majority of the ECEC workforce, and have different workplace needs than their male counterparts. In this respect the draft National Strategy needs to consider female wellbeing and workforce participation. Females have additional health considerations that must be factored into their workplace including pregnancy, menstruation, perimenopause, menopause, and incontinence. These should be destigmatised and understood so that the workplace can be a supportive place for female workers.

Experiences of menstruation, perimenopause, menopause, and incontinence can be debilitating, but women have been conditioned to ignore and mask their experiences in the workplace.

Understanding that these experiences are not a sickness and addressing them by creating inclusive policies and practices will better women's working experiences. Absenteeism due to menstruation, perimenopause, menopause, and incontinence can result in productivity and potential financial loss for services and can impact the mental health of ECEC workers.

Women also experience additional financial burdens, such as superannuation not accruing over their time on maternity leave. To adequately support women in the care and support economy, the strategy needs to factor in the additional barriers that female workers experience.

Due to the physical nature of the Care and Support Economy and that it is a predominantly female workforce, women should garner a larger focus in the National Strategy. This can be in the form of supporting Care and Support services to implement policies to support and destigmatise female related barriers within the workforce.

Recommendations

- for the National Strategy for the Care and Support Economy to actively encourage the implementation of menstruation, perimenopause, and menopause wellbeing policies
- for there to be practical working arrangements such as increased access to toilet breaks during menstruation, for Care and Support workers who often work in roles that limit their ability to access female hygiene products.

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