

# Labor's Plan for High Quality Child Care



New Leadership.

# Labor's Plan for High Quality Child Care

**Election 2007**

Policy Document

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# Overview

In excess of 900,000 children from more than 700,000 Australian families use child care each year. 600,000 children attend long day care, over 150,000 attend family day care and 260,000 attend outside school hours care. Children in child care average 25 hours per week in long day care centres, and over 18 hours per week in family day care.

Given this high – and growing – level of child care use in Australia, the quality of care is an issue of vital importance for parents who need to be assured that their children are being well looked after.

The evidence shows that high quality child care provides a strong foundation for a child's health and educational development. For this reason it is critical that governments show leadership to ensure that high quality child care and early learning environments are in place for our children.

The regulation of child care must reflect the best evidence of what is good for our children, as well as parents' expectations of what constitutes a high quality service. Similarly the skills and experience of our child care workforce is important. Having a highly skilled workforce is one of the single most important factors underpinning a quality child care system.

Parents expect that the child care their children receive is of the highest quality, and is supported by rigorously enforced child care standards.

Labor will invest \$77 million over four years to strengthen our child care workforce and improve the quality of the early learning and care that our children receive.

A Rudd Labor Government will also provide national leadership to improve the quality of early childhood education and care in Australia.

Labor's *Plan for High Quality Child Care* has three elements:

- \$73.5 million in **incentives and opportunities to improve the qualifications of child care workers** to ensure our children receive expert early learning and care.
- Tough new **National Child Care Quality Standards**, including new quality categories.
- \$3.5 million for new **Healthy Eating and Physical Activity Guidelines** for child care centres.

Under a Rudd Labor Government, the early years will be a national priority. That is why Federal Labor has already announced plans to:

- Increase the Child Care Tax Rebate from 30 per cent to 50 per cent and pay it every three months.
- Invest in an additional 260 child care centres on school sites and community land to end the double drop off.
- Provide a universal preschool year for all four year old children – up to 15 hours a week for forty weeks a year of high quality, fun, play-based learning delivered by a qualified teacher.

A Rudd Labor Government will invest \$77 million to lift the quality of our child care services to ensure the 900,000 children who use the system each year are safe, happy and supported in their social and educational development.

## Child care in Australia today

### Background

Child care has become an integral part of modern Australian family life:

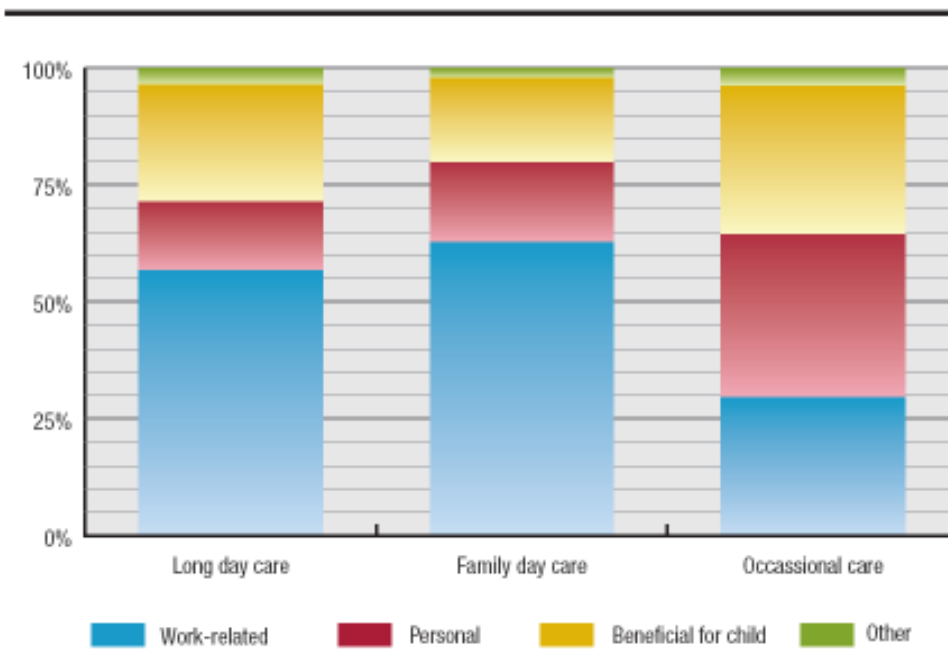
- More than 700,000 Australian families have their children in formal care.
- There are 600,000 children attending long day care, 150,000 in family day care, 15,000 in occasional care, and 260,000 in outside school hours care.
- The proportion of children under three years of age in formal child care grew by 25 per cent between 1996 and 2005.
- The proportion of children aged between three and four years in formal child care grew from 27 per cent to 45 per cent between 1996 and 2005.
- The proportion of families with children under 12 years of age using formal child care each week grew by over 65 per cent since 1996.<sup>1</sup>
- Children in child care now spend an average of 25 hours per week in long day care centres, and 18 and a half hours per week in family day care.<sup>2</sup>

Child care is an integral part of modern Australian family life

A family’s decision to use child care is determined by many factors; however work-related needs are the most common:

- 57 per cent of children aged under four years in long day care are there because of the work-related needs of their parents.
- 62 per cent of children aged under four years in family day care are there because of the work-related needs of their parents.
- 84 per cent of all children in before or after school care are there because of the work-related needs of their parents.<sup>3</sup>

### MAIN REASON FOR USING FORMAL CARE 0-4 YEARS<sup>4</sup>



While there are many reasons underpinning parents' work-related use of child care, financial necessity is often a contributing factor. Parents need to work in order to pay their bills. Household budgets are already being squeezed by rising petrol costs, grocery prices and mortgage repayments.

For all parents who use child care, the quality of the child care they access is critical. Put simply, parents want to know that when they return to work, their child will be cared for in a safe and nurturing environment.

### **The impact of child care on children's development**

An accessible, affordable and high quality child care system helps facilitate important social and economic outcomes.

A growing body of evidence shows that high quality early childhood education and care can stimulate cognitive and language development, and help overcome disadvantage.<sup>5</sup>

The early years of a child's life are arguably the most critical, shaping their future cognitive and socio-emotional functioning.

Brain research explaining the importance of early development has been widely considered in recent years. For example, leading developmental researcher Jack Shonkoff argues that:

*"...all children are born wired for feelings and ready to learn and that it is from birth to age five that 'children rapidly develop foundational capabilities on which subsequent development builds.'"<sup>6</sup>*

Economists concur with these findings. Professor James Heckman, Nobel Laureate in Economic Sciences, has concluded that learning starts before formal education begins, and sets the foundation for success or failure at school and life beyond.<sup>7</sup> Heckman emphasises the exponential impact of quality learning, showing that early learning in life means later educational experiences have greater impact:

*"Childhood is a multistage process where early investments feed into later investments. Skill begets skill; learning begets learning."<sup>8</sup>*

The World Bank, in considering the most appropriate time to start investing in our children's future, concludes:

*"It is never too early to become involved but it can easily be too late."<sup>9</sup>*

The Business Council of Australia also recently bemoaned the fact that:

*"...to date, Australia has not had a coordinated, national, whole-of-government approach to early childhood education and care."<sup>10</sup>*

It is therefore important that child care environments support and acknowledge their critically important role in a child's development. Many child care professionals, both in long day care and family day care, understand their important role in a child's life, and their responsibility to provide a healthy, happy and supportive environment for our children.

The emerging consensus about the impact of quality early childhood education on a child's development and their later educational attainment has led to calls for greater integration of early education with caring in child care services.

Given the importance of early childhood services to children's health, wellbeing and educational achievement, all of which contribute to their successful participation in the economy, Labor believes the Federal Government has a responsibility to lift the quality of child care and seek to ensure that it gives children the caring and learning environment they need for their development.

On 10 February 2006, the Council of Australian Governments (COAG) explicitly recognised that:

*"High quality and integrated early childhood education and care services, encompassing the period from prenatal up to and including the transition to the first years of school, are critical to increasing the proportion of children entering school with the basic skills for life and learning."*<sup>11</sup>

However, this acknowledgement by our national leaders has not resulted in much-needed reform to address concerns about the quality of care or the critical links between care and educational development.

Rather than leading the reform process, the Howard Government believes that learning and care are separate activities, and that child care services are just places where children are supervised, rather than places where children grow.

## **Regulating for quality**

Ensuring high quality child care must be a high priority for all levels of government.

Australia currently has a complex and multilayered approach to regulation, licensing and quality assurance of child care. This has tended to result in overlap in the roles played by different levels of government, and allowed governments to avoid responsibility.

In April 2007, COAG agreed to the development of a national approach to quality assurance and regulation of early childhood services by 2008.<sup>12</sup> Nationally consistent regulation and standards have been discussed for almost 15 years. A recent survey of progress in setting these standards said that meeting these goals has been 'slow and patchy across jurisdictions' since relevant Ministers agreed to act.<sup>13</sup>

A recent review of the progress towards achieving national standards and quality assurance found that:

*"...children's experiences during the early years strongly influence their life prospects and outcomes...Care factors associated with a good start in life, and which assure the long-term health and wellbeing of individuals, include consistent, constructive relationships (including bonding, attachment, caring and trust), and the social capital of a young child's family. Care environments that foster responsive interactions and relationships are the most likely to bring about higher levels of child functioning and development."*<sup>14</sup>

Some suggest that the current Commonwealth quality and accreditation processes have 'little impact' on the quality of care provided.<sup>15</sup> This is cause for some concern.

Almost one in 10 Australian child care centres – or 365 of 4,601 centres reviewed – failed to receive accreditation under the Howard Government's child care quality framework in the year to 30 June 2007.

However, despite this level of non-compliance, the Government is further weakening the quality standards used in accrediting child care. For example, it proposes a basic 'Met' or 'Not Met' status for each accreditation standard instead of more detailed descriptions which provide parents with greater information about the quality of the service they are entrusting their children to.

The Howard Government's new draft child care accreditation standards also foreshadow the removal of key safety checks on child care providers from 2008, including ensuring:

- "potentially dangerous products, plants and objects are inaccessible to children".
- "buildings and equipment are safe".
- "staff implement effective and current food safety and hygiene practices".
- "the centre acts to control the spread of infectious diseases".

This is despite the fact that nearly one in four long day care centres nationally failed to "ensure that buildings and equipment are safe", or acted "to control the spread of infectious diseases" in the year to 30 June 2007.

The Howard Government argues these matters are for state and territory authorities to monitor. In contrast, Labor believes it is unacceptable to dismiss health and safety of our children as being someone else's responsibility.

Through the approval and accreditation processes required to receive Child Care Benefit and the Child Care Tax Rebate, the Federal Government can play a leadership role to ensure high quality standards for all our children's care. This leadership role could be used to lift standards over time in accordance with international best practice.

The OECD report *Starting Strong* nominated the following areas as critical for ensuring the provision of high-quality care:<sup>16</sup>

- A systemic and integrated approach to policy development and implementation.
- A strong and equal partnership with the education system.
- A universal approach to access, with particular attention to children in need of special support.
- Substantial public investment in services and the infrastructure.
- A participatory approach to quality improvement and assurance.
- Appropriate training and working conditions for staff in all forms of provision.
- Systematic attention to monitoring and data collection.
- A stable framework and long-term agenda for research and evaluation.

Most importantly Australia's quality improvement system must focus first and foremost on the needs of children. A national review of child care standards reported that:

*"One of the most outstanding issues, inherent in nearly every submission, was the need for purposes and objectives of a national system of quality assurance to begin with children as the central focus."<sup>17</sup>*

Another highlighted that:

*"...the ability to develop relationships with children, and thus secure attachments, is perhaps the most important indicator of quality of care."<sup>18</sup>*

While it is important that the pursuit of high quality services does not prevent access through cost pressures, both the potential gains for children and the understandable expectations of working parents' demand that government's strive for better rather than reduced quality.

### **Child care workforce**

There are approximately 100,000 people working in children's services in Australia, two thirds in metropolitan areas and the remainder in regional and rural locations.<sup>19</sup>

According to the Howard Government's own skills shortage data:<sup>20</sup>

- Child care co-ordinators have been in shortage every year for the past decade.
- Child care workers have been in shortage eight out of the last ten years.

Quality in child care is in large part determined by the nature of the programs and the interaction between child care staff and the children in their care. It is also determined by the qualifications and attitude of those staff.

The importance of forming secure attachments between children and their carers places a premium on staff retention in the child care profession.

Parents expect that the staff looking after, nurturing and encouraging the learning of their children are experienced and highly skilled.

The knowledge and skills of the existing child care workforce is invaluable. Many of our carers have years of experience and have an understanding about what children need that is, in many ways, irreplaceable. The knowledge acquired through years of nurturing must be recognised.

A recent national workforce survey found that the average age of children's services workforce is 35 years. Long day care, outside school hours and vacation care had young age profiles, with the highest proportions of staff in the 20 to 29 age cohort, whereas occasional care and preschool or kindergarten had older age profiles, with the highest proportions of staff in the 40 to 49 age cohort. The children's services workforce is 97 per cent female and three per cent male.<sup>21</sup>

The Australian Family Relationships Clearinghouse highlights the importance of harmony between the ways that parents and early childhood professionals look after children. It stressed the importance of positive and trusting

relationships between parents and carers.<sup>22</sup> Parents want a connectedness with their children. As children spend more time in formal care settings some parents can feel disconnected from their children's development if they are not confident or comfortable in what that child care service is providing for their children. This confidence can be built by improving parental interaction with their professional carers.

While the hands-on skills and experience of carers is important for quality care, so to is ensuring that these skills are complemented through a workforce with higher levels of formal qualifications. Recognised and up-to-date qualifications based on evidence will strengthen the care that is given to our children.

However, one-third of the child care workforce does not hold any qualifications in children's services. Of those who do have children's services related qualifications, the national survey found that a diploma or advanced diploma was the most common, held by 31 per cent of the workforce, followed by 19 per cent of staff with a Certificate III or IV and 10 per cent with bachelor's degree.<sup>23</sup>

It is alarming that two out of three people who enrol in a child care course at TAFE drop out before completing, with only 36 per cent of Children's Services Certificate III students and 35 per cent of diploma students completing their course in 2004.<sup>24</sup>

Overall, there is a projected net shortfall of 7,320 children's service workers by 2013.<sup>25</sup>

## Labor's Plan for High Quality Child Care

### Summary

A Rudd Labor Government will provide national leadership to improve the quality of early childhood education and care in Australia.

Parents are entitled to demand that the child care their children receive is of the highest quality, and is supported by rigorously enforced tough standards.

A Rudd Labor Government will invest \$77 million over the next four years to strengthen our child care workforce and lift the quality of the early learning and care that our children receive.

Labor's *Plan for High Quality Child Care* builds on our *Affordable Child Care Plan* to lift the Child Care Tax Rebate to 50 per cent, increase the limit to \$7,500 per child, and move payments to every three months from once a year.

### A highly skilled workforce

Australia's child care workforce is at the front line of our children's development and wellbeing.

A Rudd Labor Government will invest \$73.5 million over four years to provide incentives and opportunities to **improve the qualifications of child care workers** to ensure that our children receive expert early learning and care, through:

- Supporting 8,000 current and prospective child care workers each year to gain nationally recognised qualifications by **getting rid of TAFE fees** for eligible child care diplomas from 2009.
- Creating additional **early childhood education university places** each year, from 2009, and rising to 1,500 commencing students each year by 2011.
- **Paying half the HECS repayments** of 10,000 early childhood educators who agree to work in rural and regional areas, Indigenous communities and areas of socio-economic disadvantage for up to five years, commencing 1 July 2008. This will provide a benefit of around \$1,000 a year to individuals who participate.

The quality of child care is improved when educators and child care professionals work side by side.

A Rudd Labor Government will also implement a **National Early Years Workforce Strategy** to:

- Improve recruitment and retention in child care services.
- Better align TAFE and university children's services and early childhood qualifications to assist child care workers to build on their qualifications.
- Improve the professional development pathways for child care workers.
- Coordinate a national program of recognition of prior learning to help experienced child care professionals attain formal qualifications.

Labor's *National Early Years Workforce Strategy* will be developed and implemented in consultation with other levels of government, child care providers and their employees, and early childhood experts.

A Rudd Labor Government will work with child care providers to ensure that Labor's *Plan for High Quality Child Care* does not put upward pressure on fees. In addition, Labor's *Affordable Child Care Plan* to lift the Child Care Tax Rebate to 50 per cent and increase the limit to \$7,500 per child will reduce child care costs for families.

### **Strong quality standards**

A Rudd Labor Government will lift quality standards in child care. We want to make sure that the quality assurance process is able to drive quality improvement, lifting up standards for everyone.

To do this, a Rudd Labor Government will introduce a tough set of **National Child Care Quality Standards** to accredit child care services and assess their quality levels.

The quality system is currently under review and concerns have been expressed that it will result in a less rigorous system. Federal Labor will work with child care providers, early childhood experts and parents to develop agreed detailed standards to be progressively implemented from 1 July 2008. This will work with the existing National Childcare Accreditation Council and build on the existing quality assurance review process in the Department of Families, Community Services and Indigenous Affairs.

Under Labor's plan:

- A five category quality improvement system will be established with category 'A' representing 'excellence' and category 'E' applying to services which have been assessed as 'unsatisfactory' and where remedial action is needed to improve.
- New services will be required to achieve at least a 'satisfactory' assessment under the new quality standards to commence providing care to children.
- In addition to an overall assessment, the quality improvement system would also provide parents with information for each area of a child care service's operation such as how much information centres provide parents on how their child is faring.
- Quality assessment will be reviewed every three years as part of the accreditation process.
- Child care services will face regular, rigorous, unannounced spot checks.
- The quality record of all accredited child care providers will be made public – displayed in each centre, online and through the Child Care Access telephone Hotline.
- We will work with State and Territory Governments to cut red tape, reduce duplication and lift standards to the nation's best practice – not water them down to the lowest common denominator.
- Parents, child care providers and early childhood experts will have a say in the development of the detailed quality standards that will apply.

Labor's tough standards will build on existing work by evidenced based and international best practice indicators of quality, and will include mechanisms for continuous quality improvement.

Child care operators will also benefit from such a system as they can showcase their high quality care status to parents.

Parents have a right to know whether their child care provider is independently assessed as 'A' for 'excellent', 'B' for 'high quality', 'C' for 'good quality', 'D' for 'satisfactory' or 'E' for 'unsatisfactory' in each area and what standards they have achieved or failed to meet to get this assessment.

Labor believes the quality assurance process should be able to drive quality improvement, lifting up standards for everyone.

### **Healthy start, healthy standards**

As more children spend time in care it is important that child care providers are ensuring they have nutritious food and drink to help them grow up healthy and strong.

A Rudd Labor Government will invest \$3.5 million over four years to develop and distribute new **Healthy Eating and Physical Activity Guidelines** in early childhood settings.

The guidelines will help child care services and preschools provide the highest quality care for our children.

## Financial implications

Labor's Plan for High Quality Child Care is fully costed and funded.

### FINANCIAL IMPLICATIONS– IMPACT ON UNDERLYING CASH BALANCE (\$M):

	2007-08	2008-09	2009-10	2010-11	Total
TAFE fees	0.0	4.4	12.6	17.4	34.4
University places	0.0	2.0	8.0	17.0	27.0
HECS remission	0.0	1.0	4.3	6.7	12.0
Healthy eating	0.5	1.0	1.0	1.0	3.5
<b>Net impact</b>	<b>0.5</b>	<b>8.4</b>	<b>26.0</b>	<b>42.1</b>	<b>77.0</b>

# Some figures may not add due to rounding.

## Endnotes

- 1 ABS, Australian Social Trends 2006
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- 3 ABS Child Care 4402.0 June 2005
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- 8 Flavio Cunha and James Heckman, Investing in our young people, p.67, at <http://www-news.uchicago.edu/releases/06/061115.education.pdf>
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- 10 Business Council of Australia, Restoring our edge in Education, August 2007
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- 12 COAG communiqué, 13 April 2007.
- 13 Collette Tayler, Mike Wills et al, A review of the approach to setting national standards and assuring the quality of care in Australian childcare services, presented to the Community Services Ministers' Advisory Council. March 2006.
- 14 Tayler, see note 13.
- 15 LHMU, Establishing Child Care as an Essential Service: policy document, 2007.
- 16 OECD, Starting Strong, 2001.
- 17 Tayler, see note 13.
- 18 Emma Rush Child Care Quality in Australia The Australia Institute discussion paper number 84, April 2006.
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- 22 Sarah Wise, Building relationships between parents and carers in early childhood, Australian Family Relationships Clearinghouse, Briefing no. 5, 2007.
- 23 National Children's Services Workforce Study 2006.
- 24 Answer to House of Representatives question number 4910
- 25 National Children's Services Workforce Study 2006.