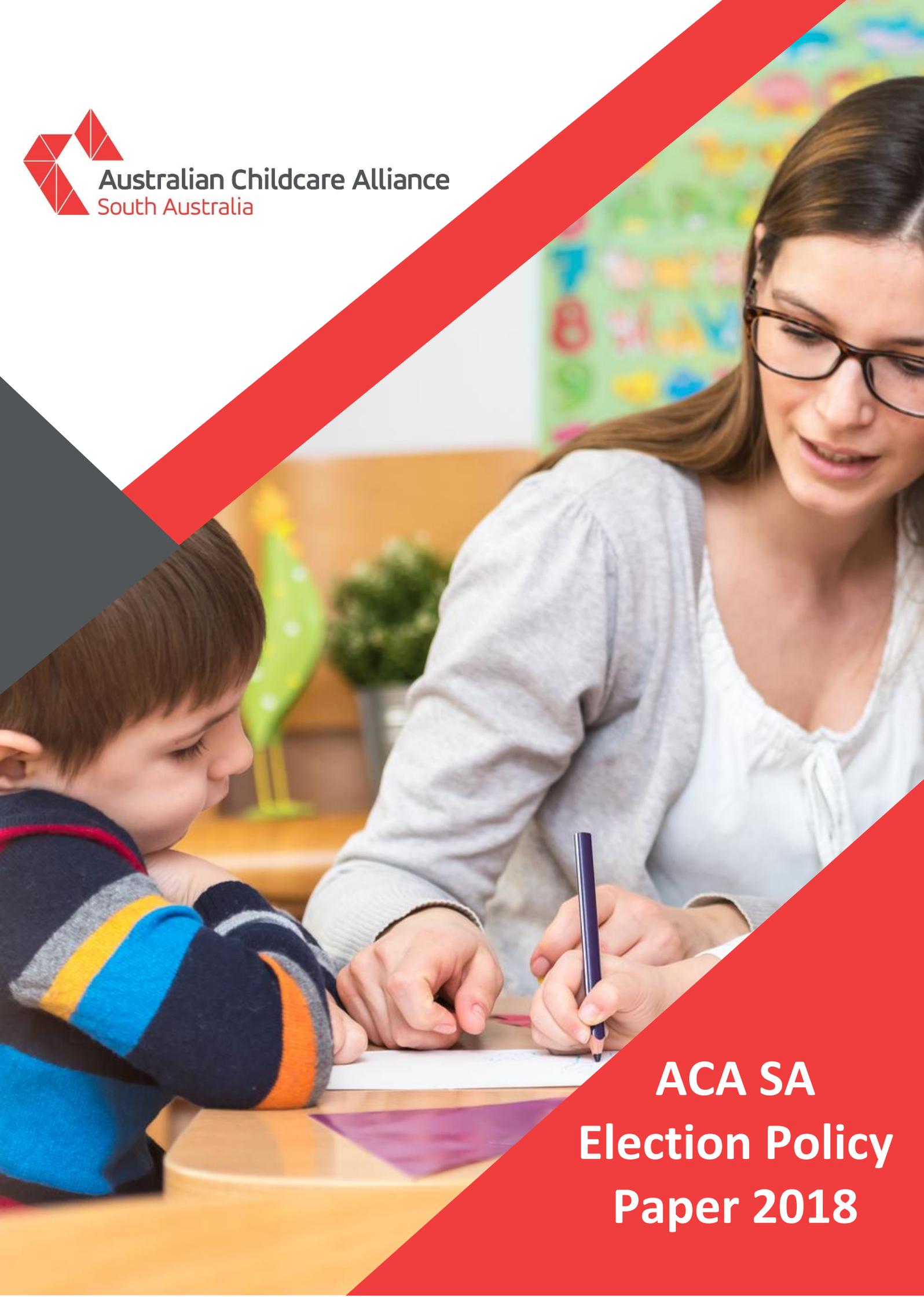




**Australian Childcare Alliance**  
South Australia



**ACA SA  
Election Policy  
Paper 2018**



# Contents

- 03 Introduction
- 04 Early Years Education in the Two Years Before School
- 06 Probationary 3 months prior to Certificate III enrolment
- 07 1:11 Ratio for 3-5 Years Olds in Child Care
- 08 Oversupply of New Child Care Services
- 09 Inequitable Imposition of Payroll and Land Taxes
- 10 Chronic Shortages of Qualified, Suitable Staff



# Introduction

As a national peak body in the Australian Early Childhood Education and Care (ECEC) sector, the Australian Childcare Alliance (ACA) represents more than 2,500 members (long day care service providers) and approximately 360,000 families throughout Australia.

## **Our mission**

To lead policy and representation, by fostering collaboration, knowledge sharing and communication.

## **Our vision**

To be the voice of and to support service providers in the provision of high quality, affordable, sustainable and accessible early childhood education and care.

ACA SA is proud to be a part of the ACA

Australian Childcare Alliance South Australia (ACA SA) believes that the provision of high quality professional non - government early childhood education and care services to children and families in South Australia is a vitally important role that is strengthened through the collaborative work of the association and its representatives.

ACA SA's vision is to:

- Work collaboratively with families and community organisations to assess and respond to the changing needs of families and communities.
- Work together with State and Federal Government bodies and the local government sector for the benefit of all children.
- Liaise with training providers to ensure that the training needs of the early childhood sector are met.
- Continue to keep abreast of current developments in theories, professional knowledge and understanding.

# Early Years Education for the Two Years Before School

## Current Situation:

The benefits of high quality Early Childhood Education and Care (ECEC) are now well recognised and acknowledged locally and globally across the education sector. There is an abundance of evidence from studies in Australia and internationally, demonstrating the significant advantages children gain from attending quality ECEC services, which in turn flows on to their family and the wider community.<sup>1</sup>

Children who enjoy quality ECEC are likely to be well socialised, confident, inquisitive about the world, accepting of diversity, resilient to manage challenges and also to be life-long learners.

Whilst this has been recognised in the year before school with children accessing 15 hours of early childhood education in either a stand alone pre school or long day care centre, the mounting evidence supports the extension of access to early childhood education programs for the two years before school.

The SA Government has an opportunity to lead the nation in the implementation of such a program within the existing infrastructure in long day ECEC services in South Australia. These services provide a high quality, play-based early learning curriculum for all children, including the 3-5 year olds, in an age appropriate play-based setting as an important part of their early childhood education program. This program is based on the already implemented Early Years Learning Framework, which has been in place since 2012. These services have Educational Leaders and a 4 year degree qualified Early Childhood Teacher.

In 2020, as the National Quality Framework continues to be implemented, ECEC services in South Australia will provide a second 4 year degree Early Childhood Teacher who will focus on the 3-4 year old age group, adding further to the play-based age appropriate early learning experiences for this age group. With 57% (ROGS) of 3 year olds already enrolled in long day ECEC services in SA, and the addition of a second teacher, the time is right for the SA Government to provide additional funding to support greater enrolment of this age cohort. Families can receive reduced cost early childhood education programs delivered by a degree qualified teacher without the need for capital investment from the Government. This system could be modelled on funding available to long day care services in Victoria who receive State Government funding to deliver early childhood education programs in the year before school.

It is of even greater importance for 3-4 year old children from disadvantaged and vulnerable backgrounds to have better support to access early childhood education programs. Many may not be supported by current subsidy arrangements and proposed activity tests with the implementation of the Child Care Subsidy from July 2018, thus missing the opportunity that would otherwise assist to break the cycle of disadvantage.

1 'Lifting Our Game' Susan Pascoe, Deborah Brennan - <http://apo.org.au/node/130616>

## Action Needed:

The SA Government could lead the nation in providing funding to support increased participation for all three year olds in the second year before school from 2020 when a second degree trained early childhood teacher will be required in long day ECEC services above and beyond the parents CCS eligibility, particularly for children from vulnerable and disadvantaged families.

# Probationary 3 months prior to Certificate III enrolment

## Current Situation:

The National Childcare Regulations under the National Quality Framework provide a probationary period before a new employee must sign up for Certificate III Early Childhood Education and Care to be included within the required ratios. However the South Australian Government has not adopted this national regulation and insists that a new candidate must first sign up for at least the Certificate III course prior to the commencement of their employment. This requirement has created a significant employment barrier.

The capacity for an Early Childhood Education and Care (ECEC) service to employ an educator that can be included within the Educator to Child ratios during their probationary period and before enrolment in Certificate III enables candidates and employers to assess their suitability for work in the ECEC sector, thereby avoiding wasting limited training places and committing employers and new staff to a position and a training cost for which they may not be suitable.

The Productivity Commission has instructed the SA Government to implement the national regulations allowing for this flexibility to occur. It will remove a significant employment barrier, ensure the right people are working with young children and avoid wasting training places. This may provide a cost saving to the South Australian Government if ill-suited educators use the limited funded places when commencing employment and therefore do not complete their course. These educators are also forced to pay a fee upon enrolment in the course which leaves them out of pocket if they determine that they no longer wish to pursue a career as an early childhood educator.

## Action Needed:

ACA SA recommends that the South Australian Government implements the National Regulations allowing a probationary period of 3 months for inclusion in ratios before a new employee must sign up for Certificate III Early Childhood Education and Care. This is in accordance with the recommendation from the Productivity Commission.

# 1:11 Ratio for 3-5 Year Olds In Child Care

## Current Situation:

Under the National Quality Framework, the National Childcare Regulations provide for a 1:11 ratio for children in care aged 3-5 years. However, in South Australia the state government requires a 1:10 ratio for this age group in Early Childhood Education and Care (ECEC) services, but has put in place a 1:11 ratio in their government-funded kindergartens/preschools.

Parents who choose to place their children in long day care are penalised with the higher cost 1:10 staff ratio while parents who place their children in a government-funded kindergarten/preschool get the benefit of a lower cost 1:11 ratio. This is a distortion, an unnecessary cost, and not a level playing field for providers and families.

## Action Needed:

ACA SA recommends that the South Australian Government should put in place the National Regulation of 1:11 for 3-5 year olds in childcare, matching the 1:11 ratio already in place in South Australian government kindergartens/preschools. This will be a costless exercise for the South Australian Government, have no impact on quality of care and make ECE more affordable for South Australian families.

# Oversupply of New Child Care Services

## Current Situation:

There are 50 new childcare centres planned to be built in South Australia in 2018<sup>2</sup>, requiring 1,300 qualified staff, and offering the capacity to care for 7,083 children under the age of 5. This potential supply far exceeds the needs of families and the availability of qualified staff in most areas.

Many centres already have significant vacancies with occupancy rates at 77% or less. The additional new centres will force financial failures, disruption to care for families, churning of staff and children and a reduction in quality of care. It will drive up fees as centres struggle to maintain financial viability.

The Community sector is also voicing their alarm at the mushrooming uncontrolled increase in centre numbers and have published data from their national survey which forecasts a drop in quality, an increase in fees and the closure of centres<sup>3</sup>.

## Action Needed:

ACA SA recommends that the South Australian Government, in partnership with the Federal Government, establishes a planning authority representing Federal, State and Local authorities in SA that ensures that all new childcare centre proposals are assessed against local family needs and available capacity utilisation of existing centres.

2. Statistics based on privately commissioned data provided by Cordell Information – [www.cordell.com.au](http://www.cordell.com.au)

3. Oversupply of places continues across Australia - <https://www.cela.org.au/2017/08/31/oversupply-places-continues-across-australia/>

# Inequitable Imposition Taxes

## Current Situation:

Not for profit centres are currently not impacted by payroll or land taxes, while privately owned centres (ie. long day care centres) pay payroll and land taxes. These tax circumstances give not for profit centres about a \$62,000 cost advantage per centre every year. Despite this advantage, the not for profit centres charge the same or higher fees than that charged by the private sector. These are, for the most part, small businesses – ‘mum and dad’ operations.

According to the latest data from the Australian Children’s Education & Care Quality Authority (ACECQA)<sup>4</sup>, during the September quarter 2017, there were 15,574 ECEC services approved to operate under the NQF across Australia, of which 7,231 (46%) were long day care centres, 3,109 (19%) preschool/kindergartens, 855 (5%) family day care and 4,373 (28%) outside school hours care.

The Productivity Commission has called on state governments to treat long day care centres from both industry segments equally in matters such as payroll tax.

## Action Needed:

ACA SA recommends an equitable, even-handed treatment of all childcare centres regarding the imposition of all taxes, such as payroll and land tax, on every ECEC sector segments in line with the recommendations of the Productivity Commission.

2. Statistics based on privately commissioned data provided by Cordell Information – [www.cordell.com.au](http://www.cordell.com.au)

3. Oversupply of places continues across Australia - <https://www.cela.org.au/2017/08/31/oversupply-places-continues-across-australia/>

4. ACECQA National Quality Framework Snapshot Q3 2017 <http://bit.ly/2rkD0Tx>

# Chronic Shortages of Qualified, Suitable Staff

## Current Situation:

As previously stated, according to planning data<sup>5</sup> the construction of 50 new child care centres are planned to be built in 2018. These new centres will require an additional 1,300 qualified staff including 50 directors and 50 Early Childhood Teachers.

Existing centres are already struggling to find suitable qualified staff. Despite this situation, there has been a reduction in funded training places for tertiary child care qualifications.

Early Childhood Teacher graduates often seem reluctant to work long term in childcare and there is a need for a 0-5 degree to focus their careers on preschool early learning, particularly with a second qualified teacher required in centres in 2020.

## Action Needed:

ACA SA is seeking the support of the South Australian Government to provide more funded childcare training places and support a 0-5 Early Childhood Teacher Degree course.



**Australian Childcare Alliance**  
South Australia

ACA SA President: Kerry Mahony

Email: [kjmahony@bigpond.com](mailto:kjmahony@bigpond.com)

Website: [www.sa.childcarealliance.org.au](http://www.sa.childcarealliance.org.au)

Phone: 0419 819 754

