



Australian Children's
Education & Care
Quality Authority

NQF Annual Performance Report

National Quality Framework

January 2022

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Interactive versions of the charts in this report are available at
[cecqa.gov.au/APR](https://www.cecqa.gov.au/APR)



Australian Children's
Education & Care
Quality Authority

ACECQA acknowledges the Gadigal peoples, the Traditional Owners and Custodians of the Lands on which ACECQA is located. We also acknowledge and extend our respects to Elders, past and present, and all Aboriginal and Torres Strait Islander peoples of all Lands across Australia.

We recognise and celebrate the contributions of Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia, including their role in the education and care of children. We recognise the rich and diverse cultures of Aboriginal and Torres Strait Islander peoples, and the valuable contribution this diversity brings.

Foreword from the ACECQA Chair

On behalf of the Australian Children's Education and Care Quality Authority (ACECQA), I am pleased to present the 2021 National Quality Framework (NQF) Annual Performance Report.

In response to the major impact of the coronavirus (COVID-19) pandemic, education and care service providers have continued to implement strategies to maintain the health and safety of children, staff and families, including the use of technology to provide ongoing learning and support for those children unable to attend services.

This report includes a number of case studies that showcase some of the creative and innovative ways service providers have adapted to the challenges presented by COVID-19.

Many long-standing challenges – for example, workforce sustainability, educator wellbeing, and the diverse nature of our sector – have been intensified by the ongoing impact of COVID-19. However, progress continues to be made in addressing a number of these.

ACECQA, working with all governments and national stakeholders, has coordinated the development of a new national workforce strategy for the next ten years, intended to help support a sustainable, high quality children's education and care workforce.

And pleasingly, despite the ongoing challenges, the quality of services continues to rise, with 86% rated Meeting National Quality Standard or above in 2021, up from 81% in 2020 and 57% in 2013 when quality ratings were first published. Public awareness of the NQF and the quality rating system also continues to increase.

On behalf of ACECQA I would like to acknowledge the work of our government partners and again offer my sincere thanks to service providers, teachers, educators and all sector staff for your outstanding efforts during another challenging year. You have continued to provide remarkable support to children and families.

Judy Hebblethwaite - Outgoing ACECQA Chair

Overview of the education and care sector

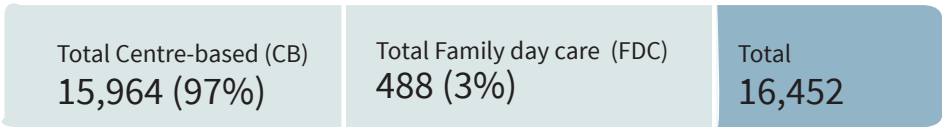
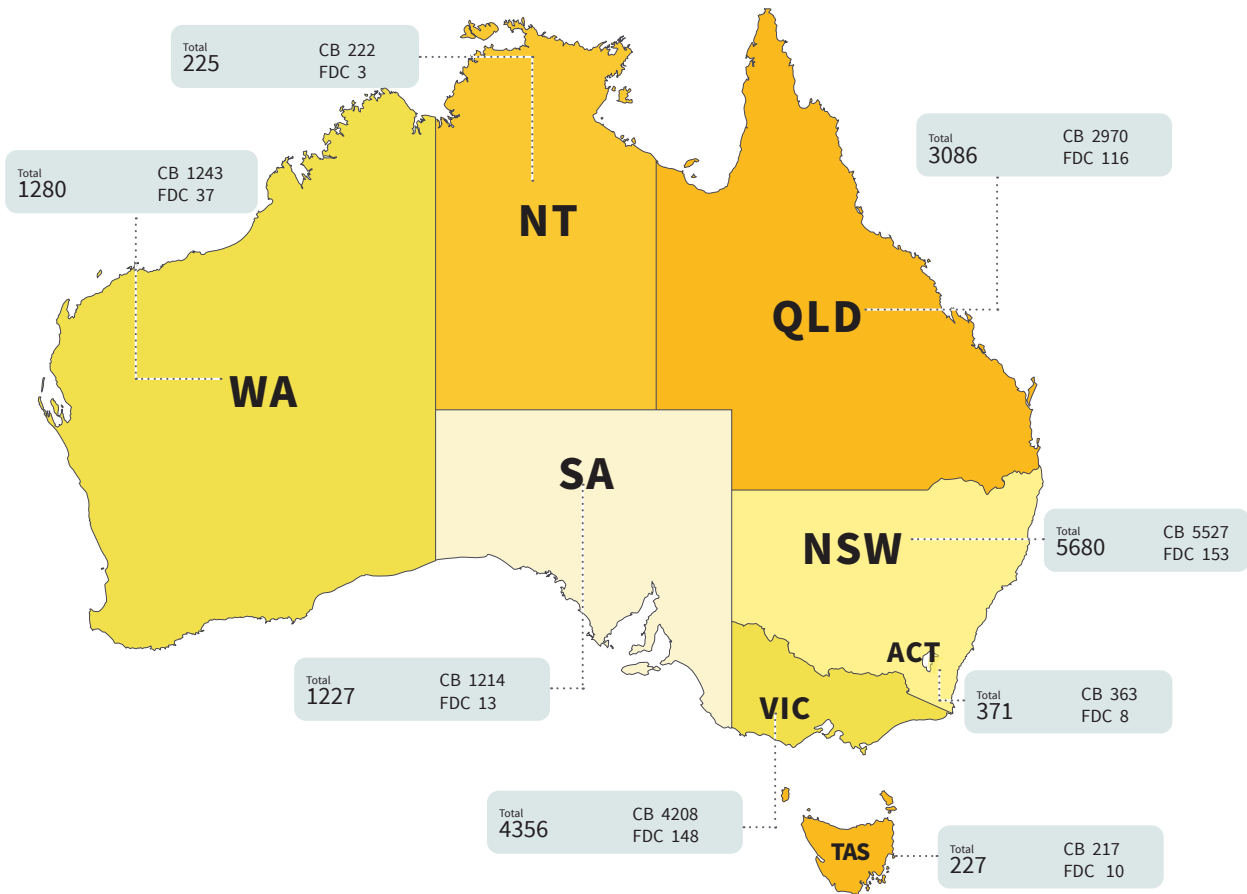
As at 30 June 2021:

- almost 7300 providers are approved to operate children’s education and care services under the National Quality Framework (NQF), with 81% of these approved to operate a single service
- in total, providers are approved to operate around 16,500 services, including:
 - » 8332 long day care services (51% of approved services)
 - » 4601 outside school hours care services (28%)
 - » 3027 preschools/kindergartens (18%)
 - » 488 family day care services (3%)
- the 12 largest providers in the country each operate more than 100 services, for a combined total of around 3500 services
- ‘private for profit’ providers operate more than two-thirds (68%) of long day care services, 60% of family day care services and almost half (48%) of outside school hours care services, but only 1% of preschools/kindergartens
- half (50%) of preschools/kindergartens are operated by ‘private not for profit community managed’ providers, with more than a fifth (22%) being ‘state/territory and local government managed’
- four-fifths (80%) of services are located in the three most populous states, with more than a third (35%) in New South Wales, more than a quarter (26%) in Victoria and just under a fifth (19%) in Queensland
- almost three-quarters (72%) of services are located in major cities, with a quarter (25%) in inner and outer regional Australia, and 2% in remote and very remote Australia
- almost 15,500 services have a published quality rating against the National Quality Standard (NQS), with 86% rated Meeting NQS or above
- of the roughly 2100 services rated Working Towards NQS, more than a third (35%) received the rating due to not meeting only one to three elements of quality
- more than 4300 services are rated Exceeding NQS, with almost 1500 services receiving a rating of Exceeding NQS for all seven quality areas.

Long day care and outside school hours care services, and preschools/kindergartens are collectively referred to as centre-based services.

Tasmanian preschools/kindergartens and most preschools/kindergartens in Western Australia are outside the scope of the NQF, as are other services that are not regulated under the *Education and Care Services National Law*, for example occasional care services.

Sector profile



Provider management type	Number of services	Proportion of services
Private for profit	8190	49.8%
Private not for profit community managed	3411	20.7%
Private not for profit other organisations	2244	13.6%
State/Territory and Local Government managed	1204	7.3%
State/Territory government schools	684	4.2%
Independent schools	494	3.0%
Catholic schools	209	1.3%

Executive summary

The National Quality Framework (NQF) represents a long-term nationwide commitment to quality education and care for our youngest citizens.

Ensuring their health, safety and wellbeing is the first and foremost objective of the NQF. Other important objectives include improving their educational and developmental outcomes, and promoting continuous improvement in the quality of children's education and care services.

State and territory governments regulate more than 7000 service providers under the NQF, with individual children attending services for anywhere from a handful of irregular hours to more than 50 hours every week.

The *Education and Care Services National Law* and National Regulations govern the minimum standards and requirements that all providers must meet to operate services under the NQF.

There is also a National Quality Standard (NQS) used by all state and territory governments to assess and rate services. The NQS sets a high national benchmark and includes seven quality areas that directly relate to service quality.

Service quality ratings are published to share good practice, promote continuous quality improvement, and provide important information to existing and prospective users of regulated education and care.

Most of the data used in this report is sourced from the National Quality Agenda IT System (NQA ITS), as at 30 June 2021. The data is also published on [ACECOA's website](#).

Due to rounding, individual percentages in the tables and figures may not equate to 100%.

A brief summary of the six chapters of this year's report is below.

01



IMPACT OF COVID-19

- More than a year on from the first case of coronavirus (COVID-19) in Australia, and with the focus shifting to vaccine rollout in 2021, the children's education and care sector continues to be significantly impacted by the global pandemic.
- Education and care service providers, early childhood teachers and educators have continued to respond and adapt to varied and changeable circumstances for children and families.
- There are several reports that suggest children and families will be severely affected by widening disadvantage and deepening of existing inequalities as a result of the COVID-19 pandemic.
- Access to high quality education and care, particularly for children experiencing disadvantage, will continue to be a key protective factor.

02



CHILDREN'S HEALTH AND SAFETY

- The NQF aims to ensure the health and safety of all children attending education and care services. Under the *Education and Care Services National Law*, service providers have responsibility for this fundamental objective.
- In 2020/21, education and care service providers continued to implement new strategies to maintain the health and safety of children, staff and families, and protect against the risk of COVID-19.
- As at 30 June 2021, 91% of services are rated Meeting NQS or above for children's health and safety (Quality Area 2 of the NQS), up from 88% a year ago.
- Over two-thirds (69%) of family day care services are rated Meeting NQS or above for children's health and safety – the highest proportion for more than five years.
- The most frequently breached sections and regulations of the National Law and Regulations relate to the protection of children from harm and hazards, supervision of children, emergency and evacuation procedures, and the upkeep of premises, furniture and equipment.

03



EDUCATIONAL PROGRAM AND PRACTICE

- Improving educational and developmental outcomes for children attending education and care services is one of the six objectives of the NQF.
- As at 30 June 2021, 90% of services are rated Meeting NQS or above for educational program and practice (Quality Area 1 of the NQS), up from 87% a year ago.
- Almost two thirds (64%) of family day care services are rated Meeting NQS or above for educational program and practice – the highest proportion for seven years.
- Of all 15 standards of the NQS, assessment and planning (Standard 1.3) remains the most challenging, with the two most challenging of all 40 elements of quality included within the standard:
 - » Assessment and planning cycle (Element 1.3.1)
 - » Critical reflection (Element 1.3.2).
- There is a high degree of correlation between performance against educational program and practice, and leadership (Standard 7.2), as well as between governance and leadership (Quality Area 7), and assessment and planning.

04



CHILDREN FROM VULNERABLE AND DISADVANTAGED BACKGROUNDS

- Children from more disadvantaged backgrounds are more likely to be developmentally vulnerable and receive the greatest benefits from attending high quality education and care.
- The proportion of children's education and care services in the most disadvantaged areas of Australia rated Meeting NQS or above increased to 84% in 2021 from 78% in 2020.
- However, there remains a marked difference in the proportion of services rated Meeting and Exceeding NQS in the most advantaged areas compared to those in the most disadvantaged areas.
- At the quality area level, the greatest difference in the proportion of services rated Exceeding NQS in the most advantaged and disadvantaged areas relates to staffing arrangements (Quality Area 4), and educational program and practice (Quality Area 1).
- Services located in regional and remote areas are also less likely to be rated Exceeding NQS. While 29% of services located in major cities are rated Exceeding NQS, the proportion is 25% in outer regional areas and 14% in very remote areas.

05



WORKFORCE

- Improved educator to child ratios and educator qualifications, stipulated under the Education and Care Services National Regulations, contribute to higher quality education and care.
- As at 30 June 2021, 96% of services are rated Meeting NQS or above for staffing arrangements (Quality Area 4 of the NQS), up from 95% a year ago.
- Most (88%) family day care services are rated Meeting NQS or above for staffing arrangements – the highest proportion for more than five years.
- As at 30 June 2021, 11% of long day care services hold a staffing waiver, with most of these temporary arrangements relating to the early childhood teacher requirements of the National Regulations.
- Commissioned by Education Ministers, national sector stakeholders and all Australian governments have closely collaborated to co-design a new ten-year children's education and care national workforce strategy to support the recruitment, retention, sustainability and quality of the sector workforce.

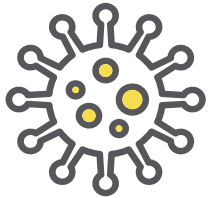
06



PUBLIC AWARENESS OF SERVICE QUALITY

- One of the objectives of the NQF is to improve public knowledge and access to information about the quality of children's education and care services.
- In mid-2021, ACECQA conducted the third wave of its families' research, with findings showing that the level of awareness of quality ratings has increased, from 40% in 2017, to 46% in 2019, to 55% in 2021.
- Of those respondents who were aware that services are quality rated, 62% knew the quality rating(s) of the service(s) that they use or intend to use, up from 54% in 2017 and 51% in 2019.
- Consistent with previous findings, location/accessibility remains a very important factor in education and care service decision-making. However, two service quality indicators – highly skilled educators and a high quality early learning program – ranked more highly in 2021 than in previous waves of the research.

Report snapshot



Service providers and staff have demonstrated significant resilience, commitment and innovation during the ongoing COVID-19 pandemic

Chapter 1
Impact of COVID-19



Ensuring children's health and safety is a key objective of the NQF, and continues to be a focus throughout the pandemic

Chapter 2
Children's health and safety



The most challenging elements of quality continue to relate to the assessment and planning cycle, and critical reflection

Chapter 3
Educational program and practice



There is a consistent gap between the quality of services in the most disadvantaged and most advantaged areas

Chapter 4
Children from vulnerable and disadvantaged backgrounds



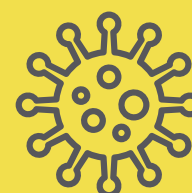
A new ten-year national workforce strategy was published in October 2021

Chapter 5
Workforce



Research conducted with families shows a steady increase in awareness of quality ratings

Chapter 6
Public awareness of service quality



Overview

The COVID-19 situation continues to evolve, including further outbreaks of the virus and subsequent restrictions and lockdowns of various lengths and intensities at different times across Australia.

A 2020-21 timeline is shown in **Table 1.1**, including major developments relating to lockdowns, financial support and vaccine rollout milestones.

Table 1.1: 2020-21 timeline

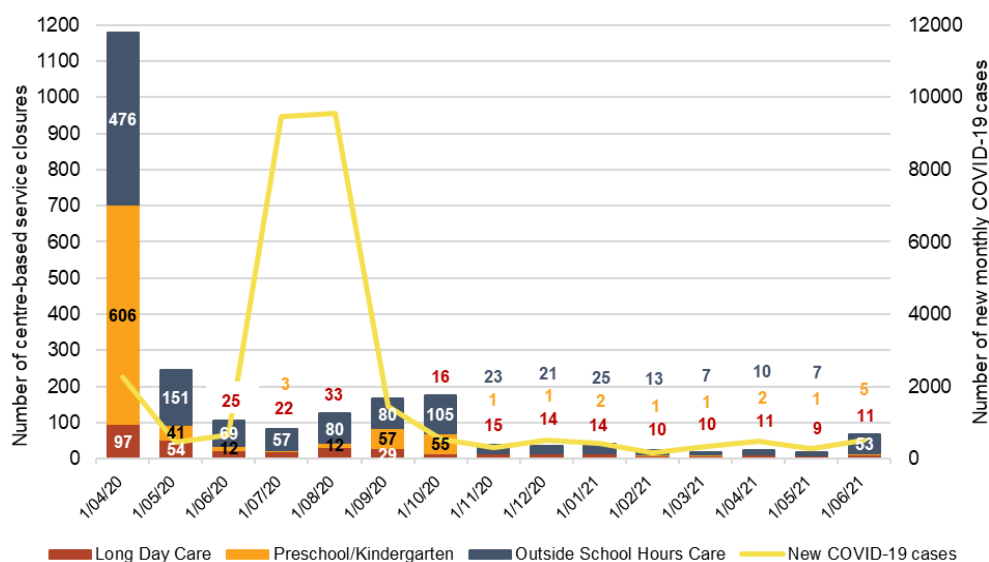
2020		
6 Apr – 12 Jul	Financial support	Early Childhood Education and Care Relief Package
9 Jul – 26 Oct	Lockdown	Victoria – metropolitan Melbourne and Mitchell Shire (112 days) and regional Victoria for part of that period
13 Jul – 4 Apr 21	Financial support	Extra Child Care Subsidy hours available for families whose employment was affected by COVID-19
13 Jul – 27 Sep	Financial support	Return to Child Care Subsidy with support from a Transition Package
28 Sep – 31 Jan	Financial support	Recovery Package including payments for services in Victoria and support for services at risk of imminent closure
19 Nov – 22 Nov	Lockdown	SA – state-wide (3 days)
19 Dec – 9 Jan	Lockdown	NSW – Sydney (Northern Beaches) (22 days)
2021		
8 Jan – 11 Jan	Lockdown	Queensland – Greater Brisbane (3 days)
31 Jan – 5 Feb	Lockdown	Western Australia – Perth, Peel and the South West (5 days)
12 Feb – 17 Feb	Lockdown	Victoria – state-wide (5 days)
21 Feb	Vaccination	First public COVID-19 vaccinations administered in Australia
29 Mar – 1 Apr	Lockdown	Queensland – Greater Brisbane (3 days)
24 Apr – 2 7 Apr	Lockdown	Western Australia – Perth and Peel (3 days)
27 May – 3 Jun	Lockdown	Victoria – state-wide (7 days)
28 May – 30 Jun	Financial support	Local Area Emergency declared to support Victorian services
3 Jun – 10 Jun	Lockdown	Victoria – metropolitan Melbourne extended (7 days)
3 Jun	Financial support	Temporary COVID Disaster Payment introduced

7 Jun	Financial support	<u>Victoria</u> – Financial support for residents ‘locked out of work’ by COVID-19 lockdowns announced
25 Jun – 10 Oct	Lockdown	<u>NSW</u> – Sydney – 4 local government areas (City of Sydney, Randwick, Waverley and Woollahra)(111 days)
26 Jun – 10 Oct	Lockdown	<u>NSW</u> – Extended to Greater Sydney, Blue Mountains, Central Coast and Wollongong (110 days)
26 Jun – 9 Jul	Financial support	<u>Local Area Emergency</u> declared for parts of Sydney
27 Jun – 29 Jun	Lockdown	<u>Northern Territory</u> – Greater Darwin (2 days)
29 Jun – 2 Jul	Lockdown	<u>Northern Territory</u> lockdown extended (3 days)
29 Jun – 3 Jul	Lockdown	<u>Western Australia</u> – Perth and Peel (4 days)
29 Jun–2 Jul	Lockdown	<u>Queensland</u> – Existing Brisbane lockdown expanded to new areas (3 days)
7 Jul	Financial support	<u>Local Area Emergency</u> period in NSW extended for services in affected LGAs
15 Jul – 27 Jul	Lockdown	<u>Victoria</u> – state-wide (14 days)
16 Jul – 27 Jul	Financial support	<u>Local Area Emergency</u> declared for all child care services in Victoria
20 Jul –27 Jul	Lockdown	<u>South Australia</u> – state-wide (7 days)
30 Jul	Financial support	<u>Local Area Emergency</u> for Greater Sydney extended

Most children’s education and care services continued to operate throughout the COVID-19 pandemic. However, ongoing impacts have been experienced across the sector, albeit with notable differences according to geographic location and service type.

As shown in **Figure 1.1**, there continue to be some centre-based service closures related to the impact of COVID-19. A significant increase in new COVID-19 cases in July and August 2020 resulted in a slight rise in centre-based service closures, mostly in Victoria, with the majority of these being outside school hours care services.

Figure 1.1: Number of centre-based service closures recorded in the NQA ITS each month, related to the impact of COVID-19¹



¹ COVID-19 case data was sourced from covid19data.com.au.

Service use

The Australian Institute of Family Studies (AIFS) *Families in Australia Survey* series looks at families' experiences of education and care, and how their use of services has been affected by COVID-19 related restrictions over May to June and also education and care use in November to December 2020². Early findings, reported in the *Annual Performance Report 2020*, showed many children had been withdrawn from education and care, both formal and informal, prior to the introduction of the Child Care Fee Relief Package.

Other factors, such as financial and health concerns, and parents working from home at higher rates, disrupted usual service use patterns. The introduction of fee-free education and care for some months in 2020 saw many more families return to using formal education and care.

In November to December 2020, when restrictions related to COVID-19 had eased in many jurisdictions across Australia, the rates of formal education and care use were similar to those reported before the pandemic, apart from in the school age care sector. The AIFS survey indicates that formal education and care arrangements for children aged 6-12 years went from 32% of children before COVID-19 to a low of 6%, before rising to 15%.

A [report](#) by The Front Project³ notes that there is a significant gap in knowledge about the extent to which children have missed out on early learning during COVID19, including which children have stopped attending services. The report recommends using existing data and commissioning new analysis to better understand children's experiences during COVID-19 to allow more targeted support in the future.

Children's wellbeing

While there is currently limited research about the impact of the pandemic on children's wellbeing, there are several reports that suggest children and families will be severely affected, raising concerns about widening disadvantage and deepening inequalities (for example, reports by [ARACY/UNICEF Australia](#)⁴ and [UNICEF Office of Research - Innocenti](#)⁵).

These reports note that children's experiences of COVID-19 have been complex and varied, and depend on a range of factors, including where a child lives, their families' social and economic security, their access to digital resources, and whether they continued to access early learning.

The reports also show that a range of factors, including policies, social networks, and resources, relationships and activities, can mitigate or accentuate benefits or risks for children that impact on their wellbeing.

Attendance at high quality children's education and care can provide a range of benefits and protective factors against disadvantage (such as play-based learning, safe and nurturing environments, close relationships with familiar adults, and social interactions with other children), as well as support for families to work, and opportunities to identify and address early signs of disadvantage.

² Australian Institute of Family Studies, *Families in Australia Survey – Report no. 3: Child care in 2020*, June 2021.

³ The Front Project (2020), *Families, Disadvantage & Early Childhood Education and Care in COVID-19*.

⁴ Harris, D., Seriamlu, S., Dakin, P. and Sollis, K., (2021) *Kids at the Crossroads: Evidence and Policy to Mitigate the Effects of COVID-19*. ARACY 2021.

⁵ Richardson, Dominic; Carraro, Alessandro; Cebotari, Victor; Gromada, Anna (2020). *Supporting Families and Children Beyond COVID-19: Social protection in high-income countries*, Innocenti Research Report UNICEF Office of Research - Innocenti, Florence.

Supporting children

A consistent recommendation across the various reports is that access to quality early childhood education and care, particularly for children experiencing disadvantage, is a key protective factor for children and families both during, and in the recovery from, the COVID-19 pandemic.

The Australian Research Alliance for Children and Youth (ARACY) has outlined its approach to supporting children's learning beyond COVID19 against its child wellbeing framework (*The Nest*) and UNICEF's Children's Goals. Among its recommendations are the following relating to children's learning:

- Increase access to affordable, high quality early childhood education and care
- Reduce the digital divide through greater investment in access to technology for children and young people, and the necessary infrastructure to support technology
- Build on investment in a learning recovery package.

A [project](#) conducted by the Institute for Social Science Research (ISSR) at the University of Queensland made similar recommendations⁶. The project considers children in the early years of primary school who started school developmentally vulnerable and provides some useful action areas that can be adapted to support children's learning during lockdown in the early years as well as for school age children. These include student mental health, wellbeing and hope, the future role of teachers, schools and communities, digital equity, and protections for the most vulnerable students.

Innovative approaches to children's learning

The Front Project report provides several case studies of service providers being creative, innovative and adaptive, and finding new ways of connecting with families to deliver learning.

Several articles share reflections on remote learning in early childhood settings. An [Early Childhood Australia article](#)⁷ reflects on the move to online learning and the challenges this poses. The article argues that remote learning is no substitute for an authentic 'in-person' experience that is focussed on relationships, observations and play-based learning.

In the context of remote learning, it suggests that rather than sharing videos or activity ideas, a more beneficial approach is for early childhood teachers and educators to share their knowledge about the importance and benefits of play-based learning so that parents and carers can create their own learning experiences with their children. It notes that an added benefit of this might be increased understanding about the value of play in early childhood, as well as the important role of early childhood teachers and educators.

6 The University of Queensland, Institute for Social Science Research (ISSR) (2021), *Learning through COVID-19: Maximising educational outcomes for Australia's children and young people experiencing disadvantage*.

7 Early Childhood Australia, The Spoke, '[Remote learning in early childhood: can it work?](#)', May 5, 2020.

This was also reflected on by Gowrie Victoria, who noted that working in partnership with families, including sharing videos of familiar places and sounds on online platforms, created opportunities for services to continue to support families to understand the potential for children’s learning.

A number of Gowrie Victoria services highlighted some of the positive aspects of remote learning, including maintaining communication and creating a sense of connection between educators, children and families. For example, **Gowrie Docklands** noted that they would transfer and retain some of the new skills and components experienced through online learning into their ongoing model of education and care⁸.

Other examples of innovative approaches to the challenges presented by COVID-19 include:

- **AIS Caretaker’s Cottage Child Care Centre** created a remote learning coordinator role to support children’s ongoing learning and continued relationships between children and educators accessing the service onsite and online from home⁹.
- **Coromandel Valley Kindergarten** found creative ways to facilitate meaningful reconciliation activities while ensuring safety for members of their community. For example, use of communication technologies allowed them to continue reconciliation efforts by livestreaming a Welcome to Country and consulting with Elders over the phone to produce culturally safe and accurate Reconciliation Action Plan (RAP) take-home packages which were sent to families¹⁰.

8 The Sector, ‘*As Melbourne endures another lockdown, Gowrie Vic reflects on remote learning*’, June 9, 2021.

9 ‘*Innovative approaches to professional development and workplace culture*’, ACECQA Newsletter, Issue 2 2021.

10 ‘*Reconciliation during lockdown*’, NEL Update, May 2021 (references Narragunnawali News, ‘*Spotlight on – Coromandel Valley Kindergarten*’, SA, 11 May 2021).



Overview

The National Law and Regulations include several explicit requirements and obligations for service providers related to children's health and safety, such as hygiene and safe food practices, incident, injury, trauma and illness policies and procedures, emergency and evacuation procedures, and risk assessments.

Quality Area 2 (Children's health and safety) of the National Quality Standard (NQS) reflects the principle that children have a right to be protected and kept safe. Adequately supervising and taking reasonable precautions to protect children from harm and hazard are important factors in ensuring children's safety, health and wellbeing.

Australia has committed to protecting and ensuring children's rights by agreeing to undertake the obligations of the [United Nations Convention on the Rights of the Child](#). This includes Article 19 of the convention, which states that children have the right to be protected from being hurt and mistreated, physically or mentally.¹¹

Children’s health and safety quality ratings

Figure 2.1 compares performance against Quality Area 2 over time, showing the proportion of services rated Meeting NQS or above.

As at 30 June 2021, 91% of services are rated Meeting NQS or above – the highest ever proportion since the introduction of the NQF in 2012.

Figure 2.1: Proportion of services rated Meeting NQS or above for Quality Area 2

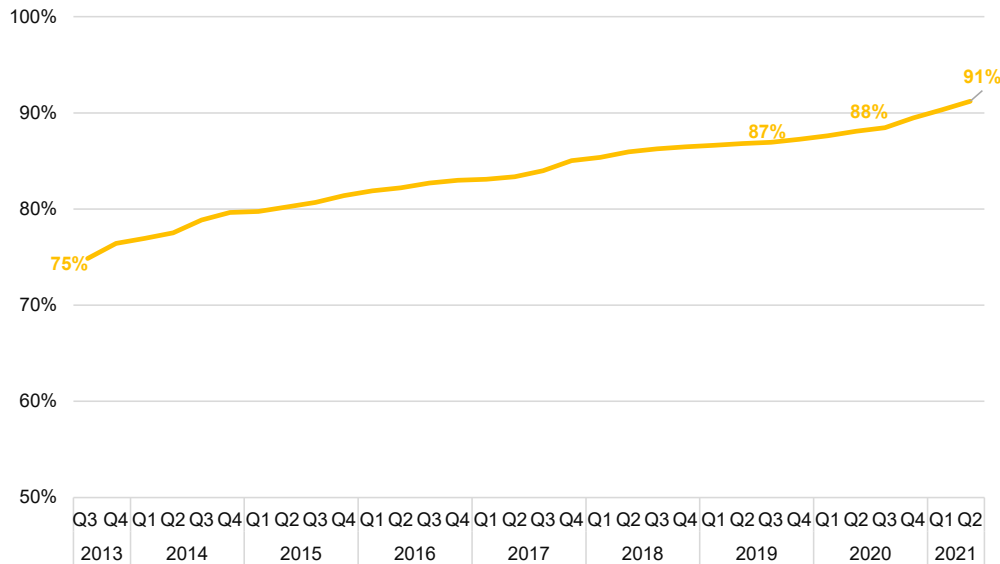


Figure 2.2 shows that preschools/kindergartens continue to have the highest proportion of services rated Meeting NQS or above, followed by long day care, outside school hours care and family day care services.

While family day care services continue to have the lowest proportion of services rated Meeting NQS or above, 69% of family day care services are rated Meeting NQS or above – the highest proportion for more than five years.

Figure 2.2: Proportion of services rated Meeting NQS or above for Quality Area 2, by service type

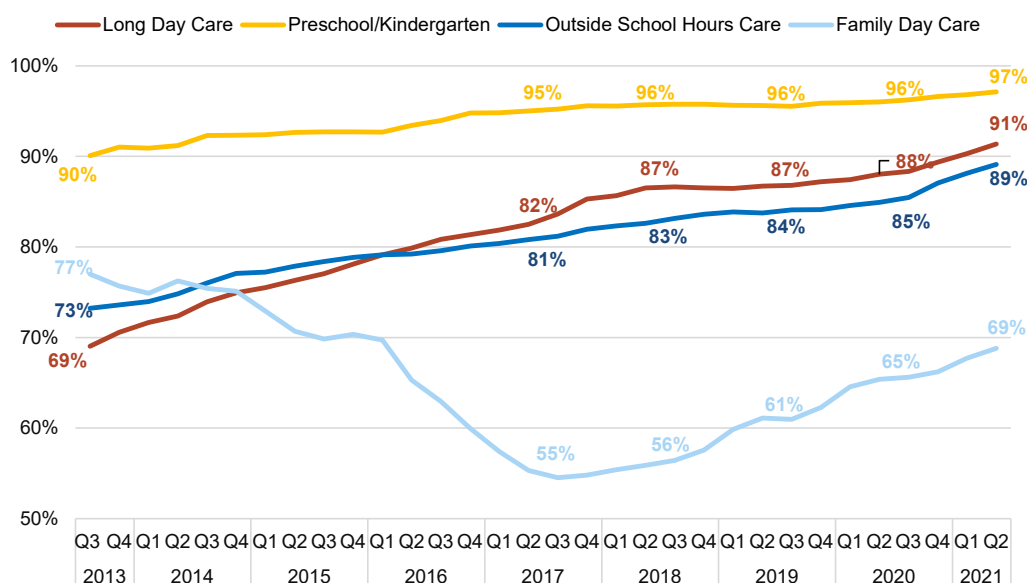
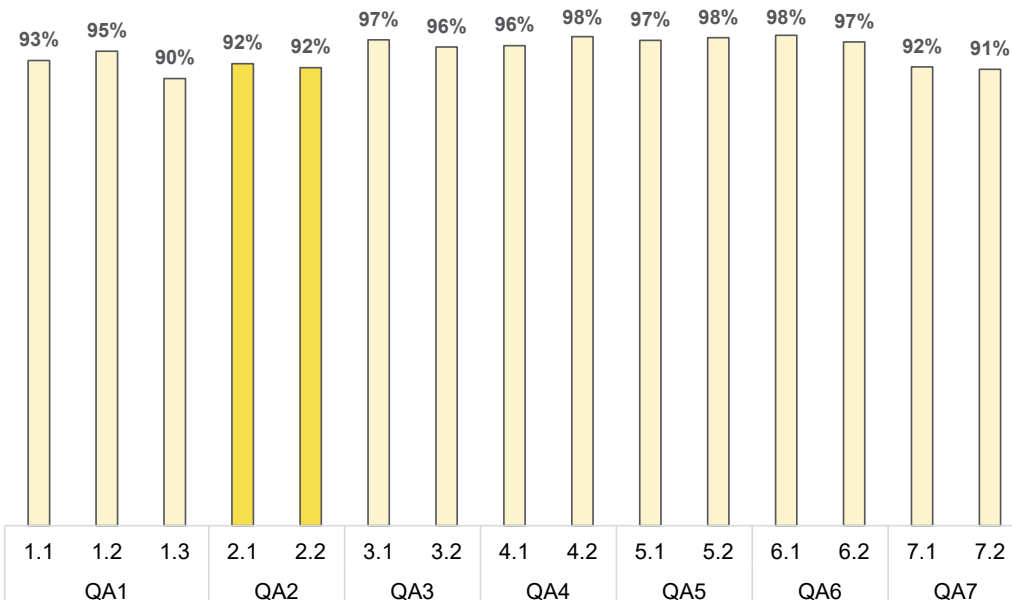


Figure 2.3 shows Standard 2.1 (Health) and 2.2 (Safety) continue to be more challenging than most other standards of the NQS.

As at 30 June 2021, 92% of services are rated Meeting NQS or above for the two standards, making them the third and fifth most challenging of the 15 standards.

In addition to being comparatively challenging to meet, the two standards have the lowest numbers of services rated Exceeding NQS.

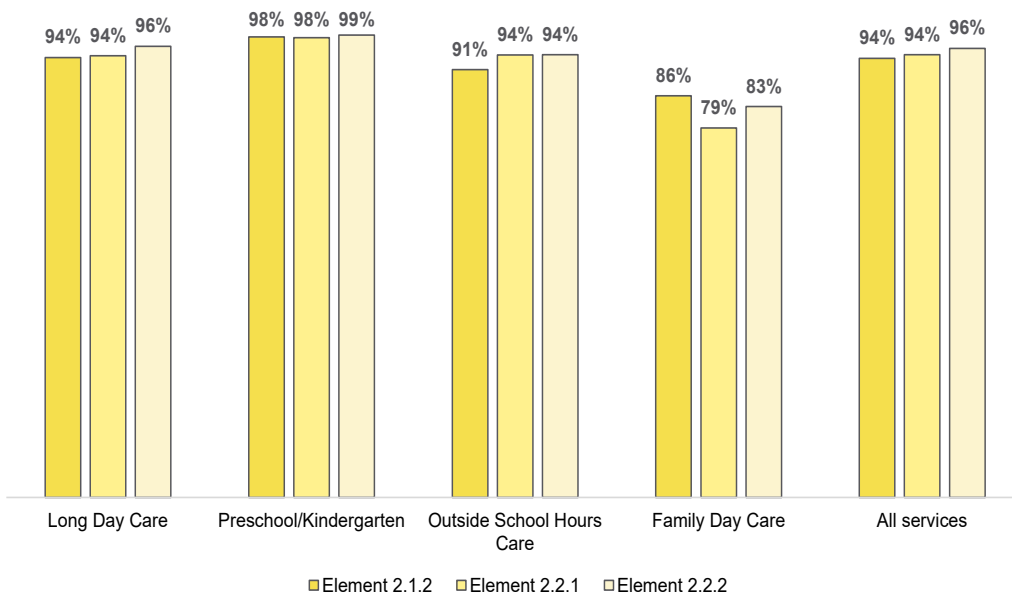
Figure 2.3: Proportion of services rated Meeting NQS or above for each standard of the NQS, as at 30 June 2021



Of all 40 elements of the NQS, Element 2.1.2 (Health practices and procedures) has the fourth highest number of services assessed as Not Met, with Element 2.2.1 (Supervision) having the seventh highest, and Element 2.2.2 (Incident and emergency management) having the ninth highest.

Figure 2.4 shows the proportion of services assessed as Met for Element 2.1.2, 2.2.1 and 2.2.2. The overall proportion of services assessed as Met for each of the three elements has increased compared to a year ago.

Figure 2.4: Proportion of services assessed as Met for Element 2.1.2 (Health practices and procedures), 2.2.1 (Supervision) and 2.2.2 (Incident and emergency management), as at 30 June 2021



Serious incidents

Education and care service providers are required to notify state and territory regulatory authorities of serious incidents that occur at their services, such as child injury, trauma or illness that requires medical attention or hospital attendance.

Making robust judgments on comparative rates of serious incidents, for example across service types or financial years, is challenging. In common with other sectors, dealing with the likely ‘over’ and ‘under’ reporting of serious incidents by service providers is particularly difficult.

For example, a provider might report a relatively high number of serious incidents because of one or more of the following factors:

- Robust and comprehensive reporting mechanisms
- Overly cautious reporting procedures
- Unique child cohorts and service circumstances
- Poor health and safety standards.

Equally, a provider might report a relatively low number of serious incidents because of one or more of the following factors:

- Exceptional health and safety standards
- Lax reporting procedures
- Restrictive learning and development opportunities.

Table 2.1 shows that in 2020/21 there is a rate of 125 reported serious incidents per 100 approved services, up from a rate of 103 in 2019/20.

Long day care services continue to report a higher rate of serious incidents compared to other service types. This is to be expected given the fact that long day care services have more children attending for longer periods of time, with these children also often being younger.

Table 2.1: Rate of reported serious incidents (based on number of approved services)¹²

Service type	Rate per 100 approved services				
	2016/17	2017/18	2018/19	2019/20	2020/21
Long day care	140	133	133	138	173
Family day care	67	78	87	96	97
Outside school hours care	64	67	83	77	86
Preschool/Kindergarten	41	39	53	52	58
All services	99	98	102	103	125

¹² Rate is calculated by dividing the number of serious incidents during the financial year by the number of approved services as at 30 June (the final day of that financial year), multiplied by 100.

Table 2.2 shows that long day care services also report a higher rate of serious incidents per 100 approved places compared to other centre-based service types. Calculating rates based on approved places rather than approved services may be more robust and meaningful, as the former goes at least some way to accounting for relative service size.

Table 2.2: Rate of reported serious incidents (based on number of approved places)^{13,14}

Service type	Rate per 100 approved places				
	2016/17	2017/18	2018/19	2019/20	2020/21
Long day care	2.13	1.98	1.94	1.97	2.43
Outside school hours care	1.35	1.29	1.36	1.34	1.49
Preschool/Kindergarten	1.07	1.11	1.18	1.07	1.19
All services	1.67	1.61	1.68	1.66	1.97

It is important to note that neither approach for estimating a rate of serious incidents (using number of approved services or number of approved places) accounts for the age of children or the length of time they attend an education and care service.

Table 2.3 shows that just over half (51%) of approved services reported one or more serious incidents in 2020/21, up from 46% in 2019/20.

Long day care services continue to have the highest proportion (63%) of services reporting one or more serious incidents, followed by outside school hours care (41%) and family day care (38%) services.

Table 2.3: Proportion of services reporting one or more serious incidents

Service type	% of all approved services as at 30 June each year				
	2016/17	2017/18	2018/19	2019/20	2020/21
Long day care	56%	56%	57%	56%	63%
Outside school hours care	36%	37%	40%	39%	41%
Family day care	22%	28%	33%	38%	38%
Preschool/Kindergarten	31%	32%	34%	32%	36%
All services	43%	45%	47%	46%	51%

13 Rate is calculated by dividing the number of serious incidents during the financial year by the number of approved places as at 30 June (the final day of that financial year), multiplied by 100.

14 Excludes family day care services as the number of approved places is not recorded for this service type.

Table 2.4 shows that incidents involving injury, trauma or illness continue to account for around 80% of all reported serious incidents.

Table 2.4: Proportion of reported serious incidents by incident type

Incident type	% of all serious incidents				
	2016/17	2017/18	2018/19	2019/20	2020/21
Injury/Trauma/Illness	84.3%	81.3%	79.1%	78.6%	79.9%
Emergency services attended	9.0%	10.4%	12.0%	12.9%	11.5%
Child missing or unaccounted for	5.5%	6.6%	7.2%	7.0%	7.2%
Child locked in/out of the service	0.9%	1.3%	1.3%	1.2%	1.2%
Child taken away or removed	0.3%	0.4%	0.4%	0.3%	0.3%

Confirmed breaches

A ‘confirmed breach’ occurs when a state or territory regulatory authority finds that relevant legislation, regulations or conditions at a children’s education and care service have not been abided by.

Not all confirmed breaches represent a risk to children’s health and safety, and the degree of risk varies according to the individual circumstances of the breach. For example, a breach may relate to a failure to display prescribed information at the service premises. It is also important to note that multiple confirmed breaches can be the result of a single event.

Table 2.5 shows that in 2020/21 there is a rate of 164 confirmed breaches per 100 approved services, up from a rate of 156 in 2019/20.

The rate of confirmed breaches increased for all service types in 2020/21, except for family day care. In some jurisdictions, confirmed breaches are recorded at each individual family day care educator residence where the breach is identified, rather than just once at the overall service level.

Table 2.5: Rate of confirmed breaches¹⁵

Service type	Rate per 100 approved services				
	2016/17	2017/18	2018/19	2019/20	2020/21
Family day care	307	296	292	691	494
Long day care	115	155	159	182	200
Outside school hours care	61	82	109	115	127
Preschool/Kindergarten	28	43	70	59	68
All services	98	126	132	156	164

¹⁵ Rate is calculated by dividing the number of confirmed breaches during the financial year by the number of approved services as at 30 June (the final day of that financial year), multiplied by 100.

Table 2.6 shows that just under two-fifths (39%) of approved services had one or more confirmed breaches in 2020/21, with long day care and family day care services (both 48%) continuing to have the highest proportions of services with one or more confirmed breaches.

Table 2.6: Proportion of services with one or more confirmed breaches

Service type	% of all approved services as at 30 June each year				
	2016/17	2017/18	2018/19	2019/20	2020/21
Long day care	27%	37%	36%	41%	48%
Family day care	37%	34%	38%	46%	48%
Outside school hours care	16%	30%	28%	28%	32%
Preschool/Kindergarten	11%	28%	19%	18%	24%
All services	21%	33%	30%	33%	39%

Table 2.7 shows that the following two sections of the National Law continue to be the most frequently breached:

- 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
- 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.

These two sections of the National Law are central to ensuring children’s health and safety and highlight the importance of approved providers having effective governance and service leadership. They are also interrelated in that providing adequate supervision significantly contributes to protecting children from harm and hazard.

Table 2.7: Most frequently breached sections of the National Law

Section	Offence	% of all confirmed breaches				
		2016/17	2017/18	2018/19	2019/20	2020/21
167	Failure to protect children from harm and hazards	30%	29%	28%	29%	29%
165	Inadequate supervision of children	16%	21%	20%	19%	19%
172	Failure to display prescribed information	7%	7%	6%	6%	10%
174	Failure to notify certain information to the regulatory authority	10%	9%	8%	7%	9%

Table 2.8 shows that the following two regulations of the National Regulations continue to be the most frequently breached:

- Regulation 97 – emergency and evacuation procedures
- Regulation 103 – premises, furniture and equipment to be safe, clean and in good repair.

Issues relating to emergency and evacuation procedures that have led to confirmed breaches of Regulation 97 include:

- lack of documentation for emergency and evacuation rehearsals
- missing or inadequate emergency and evacuation floor plan and instructions, or a failure to display the plan and instructions in a prominent position
- failure to rehearse emergency and evacuation procedures.

Table 2.8: Most frequently breached regulations of the National Regulations

Reg	Requirement	% of all confirmed breaches				
		2016/17	2017/18	2018/19	2019/20	2020/21
97	Emergency and evacuation procedures	7%	10%	11%	13%	13%
103	Premises, furniture and equipment to be safe, clean and in good repair	11%	10%	9%	9%	10%
170	Policies and procedures to be followed	5%	5%	5%	5%	6%
147	Staff members	4%	5%	6%	5%	5%
173	Prescribed information to be displayed	5%	5%	5%	4%	3%



Overview

Education and care can improve a child's future cognitive, educational, physical, social and emotional outcomes, especially where the education and care is of high quality, and for children growing up with economic disadvantage, special needs, or from diverse cultural and linguistic backgrounds¹⁶.

Practices that support and promote children's development and learning are the focus of Quality Area 1 (Educational program and practice) of the National Quality Standard. Under the *Education and Care Services National Law and Regulations*, service providers are required to base their educational program on an approved learning framework.

The ongoing coronavirus (COVID-19) pandemic and associated lockdowns continued to impact provision of educational programs and practice across 2020 and 2021. Many service providers demonstrated significant innovation to support children's learning remotely, while also maintaining face-to-face education and care as needed.

¹⁶ OECD (2021), *Measuring what matters for child well-being and policies*, OECD Publishing, Paris.

Educational program and practice quality ratings

Figure 3.1 compares performance against Quality Area 1 over time, showing the proportion of services rated Meeting NQS or above.

As at 30 June 2021, 90% of services are rated Meeting NQS or above – the highest ever proportion since the introduction of the NQF in 2012.

Figure 3.1: Proportion of services rated Meeting NQS or above for Quality Area 1

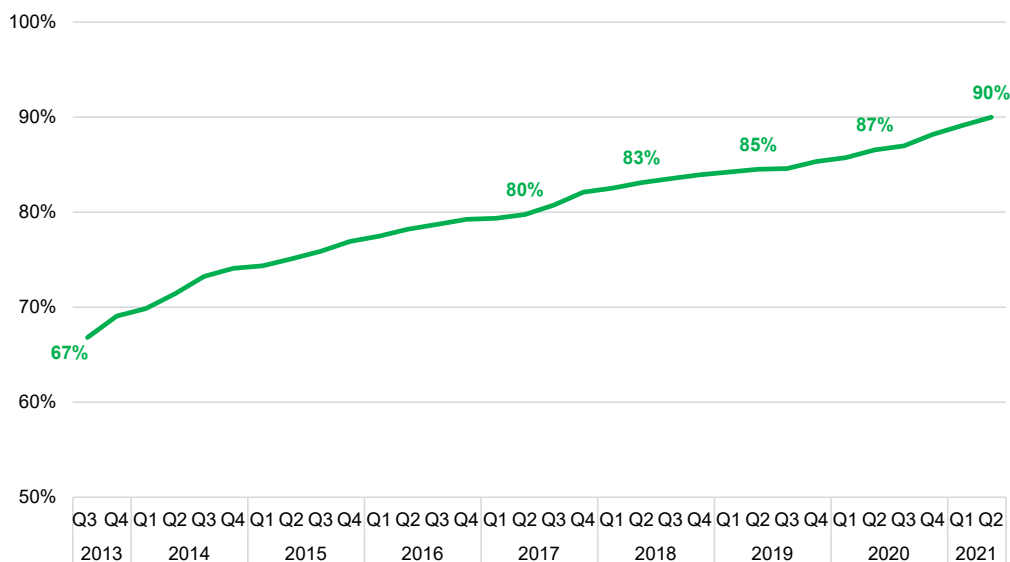


Figure 3.2 shows that preschools/kindergartens continue to have the highest proportion of services rated Meeting NQS or above, followed by long day care, outside school hours care and family day care services.

While family day care services continue to have the lowest proportion of services rated Meeting NQS or above, 64% of family day care services are rated Meeting NQS or above – the highest proportion for seven years.

Figure 3.2: Proportion of services rated Meeting NQS or above for Quality Area 1, by service type

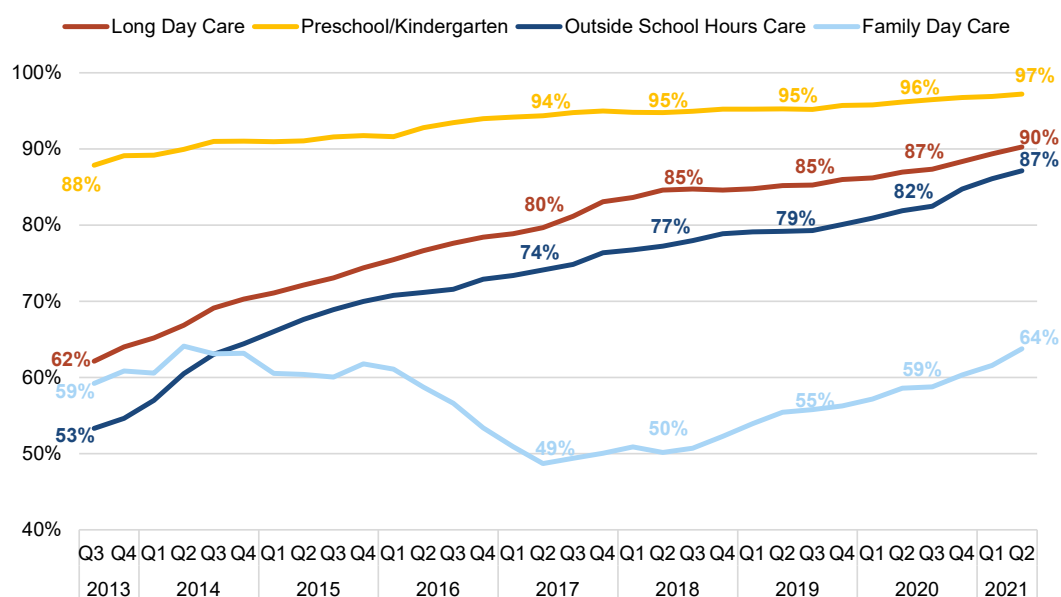
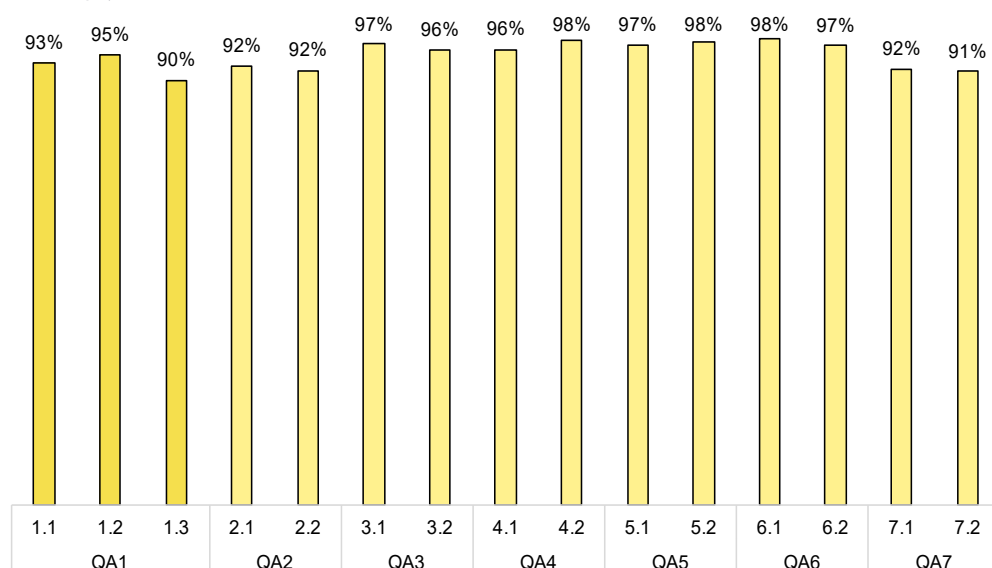


Figure 3.3 shows Standard 1.3 (Assessment and planning) in particular continues to be more challenging than the other standards of the NQS.

As at 30 June 2021, 90% of services are rated Meeting NQS or above for Standard 1.3, 93% for Standard 1.1 (Program) and 95% for Standard 1.2 (Practice), making them the first, sixth and seventh most challenging of the 15 standards.

While the three standards are comparatively challenging to meet, they also have a relatively high rate of Exceeding NQS ratings. Standard 1.1 has the third highest number of services rated Exceeding NQS, Standard 1.3 has the fourth highest, and Standard 1.2 has the seventh highest.

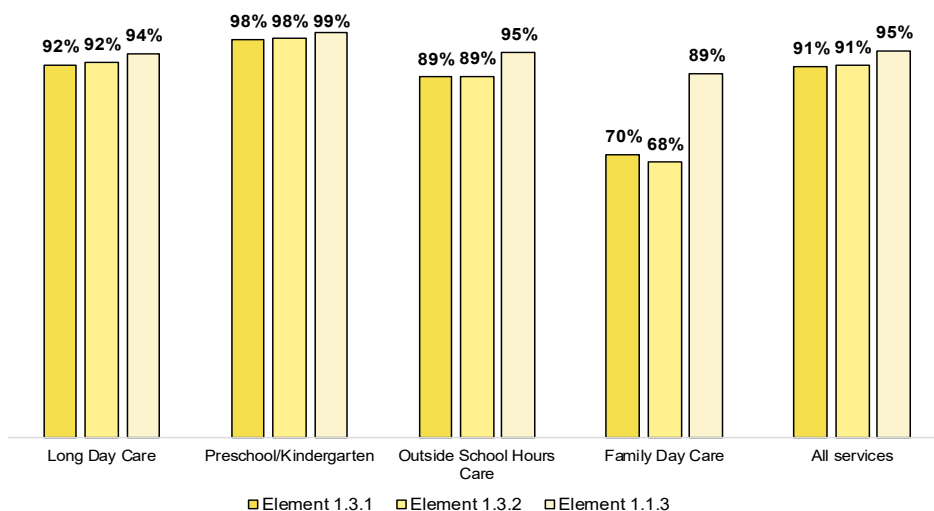
Figure 3.3: Proportion of services rated Meeting NQS or above for each standard of the NQS, as at 30 June 2021



Of all 40 elements of the NQS, Element 1.3.1 (Assessment and planning cycle) has the highest number of services assessed as Not Met, with Element 1.3.2 (Critical reflection) having the second highest, and Element 1.1.3 (Program learning opportunities) having the eighth highest.

Figure 3.4 shows the proportion of services assessed as Met for Element 1.3.1, 1.3.2 and 1.1.3. The overall proportion of services assessed as Met for each of the three elements has increased compared to a year ago.

Figure 3.4: Proportion of services assessed as Met for Element 1.3.1 (Assessment and planning cycle), 1.3.2 (Critical reflection) and 1.1.3 (Program learning opportunities), as at 30 June 2021



Educational leadership

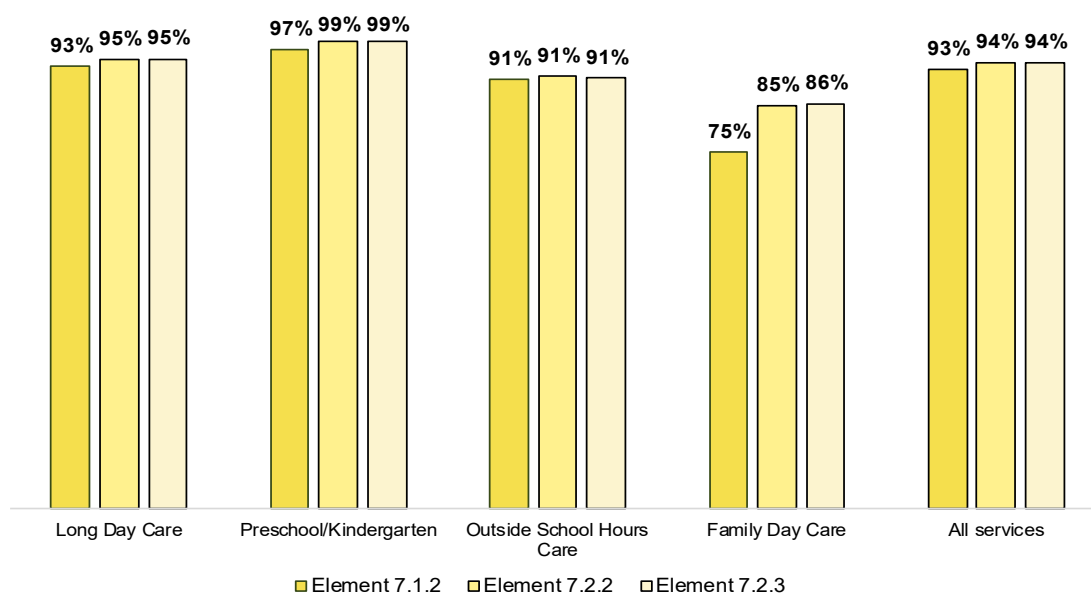
Quality Area 7 of the National Quality Standard addresses governance and leadership, including the role of the service’s educational leader.

As at 30 June 2021, 91% of services are rated Meeting NQS or above for Standard 7.2 (Leadership) and 92% for Standard 7.1 (Governance), making them the second and fourth most challenging of the 15 standards. These two standards also have the fourth and fifth lowest number of services rated Exceeding NQS.

Element 7.1.2 (Management systems) has the third highest number of services assessed as Not Met, with Element 7.2.3 (Development of professionals) having the fifth highest and Element 7.2.2 (Educational leadership) having the sixth highest.

Figure 3.5 shows the proportion of services assessed as Met for Element 7.1.2, 7.2.2 and 7.2.3. The overall proportion of services assessed as Met for each of the three elements has increased slightly compared to a year ago.

Figure 3.5: Proportion of services assessed as Met for Element 7.1.2 (Management systems), 7.2.2 (Educational leadership) and 7.2.3 (Development of professionals), as at 30 June 2021



A service’s educational leader is responsible for leading the development and implementation of the educational program, and assessment and planning cycle. The role therefore has a very close relationship with Quality Area 1.

This relationship is confirmed by the quality areas to standards correlation analysis matrix in **Figure 3.6**.

In addition to the expected high degree of correlation between performance at the quality area level and performance against the standards that make up that quality area, there is a high degree of correlation between Quality Area 1 (Educational program and practice) and Standard 7.2 (Leadership), as well as Quality Area 7 (Governance and leadership) and Standard 1.3 (Assessment and planning).

There is also a high degree of correlation between Quality Area 5 (Relationships with children) and Standard 1.2 (Practice) and Standard 1.1 (Program).

Figure 3.6: 2018 NQS correlation analysis matrix¹⁷(quality areas to standards), as at 30 June 2021

	QA1	QA2	QA3	QA4	QA5	QA6	QA7
Standard 1.1	0.86	0.60	0.64	0.67	0.71	0.69	0.65
Standard 1.2	0.87	0.58	0.64	0.66	0.72	0.69	0.63
Standard 1.3	0.92	0.62	0.63	0.65	0.67	0.68	0.70
Standard 2.1	0.64	0.84	0.61	0.59	0.59	0.59	0.63
Standard 2.2	0.62	0.90	0.61	0.59	0.55	0.57	0.65
Standard 3.1	0.60	0.57	0.90	0.61	0.61	0.60	0.56
Standard 3.2	0.65	0.57	0.86	0.61	0.64	0.67	0.59
Standard 4.1	0.64	0.56	0.61	0.92	0.66	0.65	0.62
Standard 4.2	0.64	0.53	0.61	0.87	0.69	0.68	0.62
Standard 5.1	0.68	0.54	0.61	0.66	0.94	0.69	0.58
Standard 5.2	0.67	0.53	0.60	0.65	0.93	0.69	0.57
Standard 6.1	0.64	0.52	0.59	0.63	0.66	0.92	0.62
Standard 6.2	0.65	0.53	0.60	0.63	0.66	0.93	0.62
Standard 7.1	0.66	0.65	0.60	0.65	0.59	0.66	0.90
Standard 7.2	0.71	0.61	0.60	0.64	0.59	0.68	0.91

Continuous quality improvement

Research commissioned by ACECQA in 2019 examined factors that support quality improvement in educational program and practice, and governance and leadership.

The research found that factors that support quality improvement in educational program and practice include:

- focusing on child agency and rights
- informing practice with theories of learning that recognise children as competent and capable
- using a planned critically reflective approach
- aligning program and practice with service philosophy.

Factors that support quality improvement in governance and leadership include:

- establishing systems with transparent procedures and policies
- focusing on professional growth and learning
- developing a positive culture and holding and maintaining high expectations
- supporting staff and the service's educational leader.

ACECQA's website includes a [collection of resources](#) to assist service providers in meeting the requirements of the National Quality Standard.

¹⁷ Higher numbers indicate higher levels of correlation between individual quality areas and standards.



Overview

International research consistently reinforces the value of high quality education and care in supporting development, education and wellbeing for young children, with the most significant impact evident for children experiencing disadvantage or from lower socio-economic backgrounds¹⁸.

However, children in lower socio-economic areas are less likely to access early childhood education and care programs due to a range of inhibiting factors. At a family level, this can include affordability, lack of availability and limited understanding of the benefits¹⁹.

These barriers have been further exacerbated by the COVID-19 pandemic, with loss of financial security and increased social stresses for many families²⁰.

Quality ratings by socio-economic status of areas

The Socio-Economic Indexes for Areas (SEIFA)²¹ Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD) is used to classify services by the level of relative socio-economic advantage and disadvantage of their local area. The analysis below uses SEIFA as a proxy measure to identify and compare the performance of children's education and care services in the most disadvantaged and most advantaged areas of Australia (SEIFA quintiles 1 and 5 respectively).

Figure 4.1 shows that 84% of services in the most disadvantaged areas of Australia and 88% of services in the most advantaged areas are rated Meeting NQS or above as at 30 June 2021. These figures represent a notable improvement from a year ago, when 78% of services in the most disadvantaged areas and 84% of services in the most advantaged areas were rated Meeting NQS or above.

18 ACECQA. (2020). *Quality ratings by socio-economic status of areas. Occasional paper 7.*

19 Baxter, J. (2020). *Families in Australia Survey. Towards COVID normal. Report no. 3 Child care in 2020*; Noble, K., & Hurley, P. (2021). Counting the cost to families: Assessing childcare affordability in Australia.

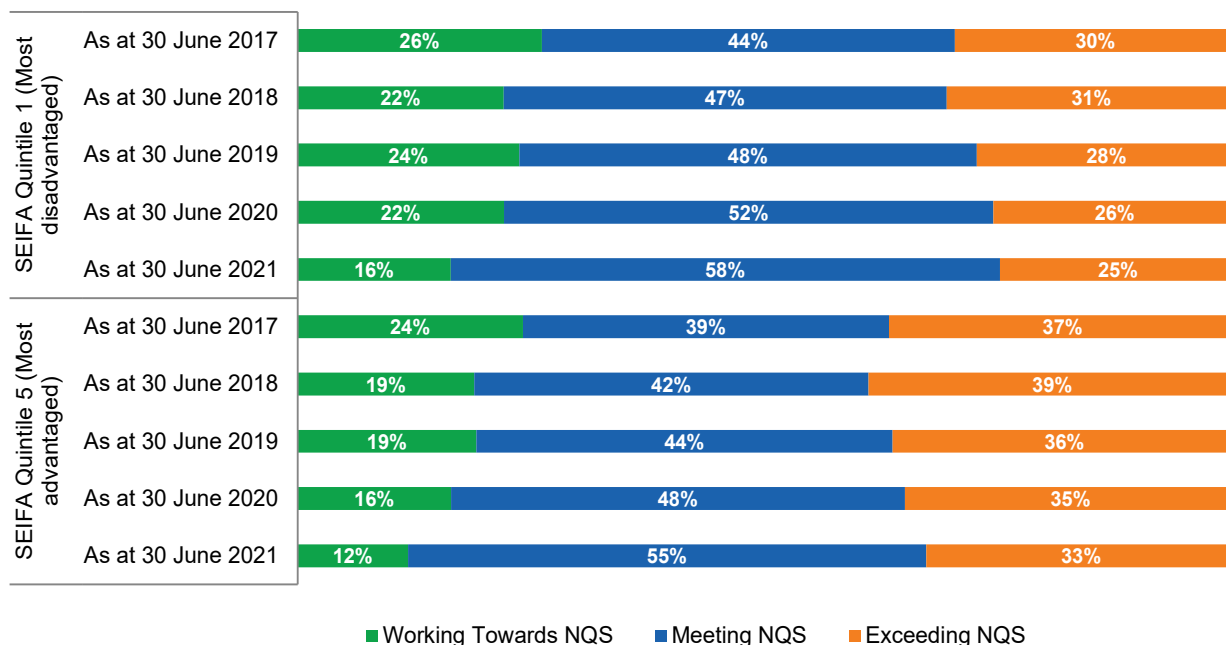
20 The Front Project. (2021). *Families, disadvantage and early childhood education and care in COVID-19*: Follent, D., Paulson, C., Orcher, P., O'Neill, B., Lee, D. Briscoe, K., & Dimopoulos-Bick, T. (2021). The indirect impact of COVID-19 on Aboriginal communities across New South Wales. *Medical Journal of Australia*, 215(5), 199-200.

21 SEIFA is an Australian Bureau of Statistics' product that ranks areas according to socio-economic advantage and disadvantage based on census data. Variables used include household income, education, employment, occupation and housing.

However, marked differences persist between relatively advantaged and disadvantaged areas in terms of the proportion of services rated Meeting NQS or above, and particularly the proportion rated Exceeding NQS.

As at 30 June 2021, 33% of services in the most advantaged areas are rated Exceeding NQS, compared to 25% of services in the most disadvantaged areas.

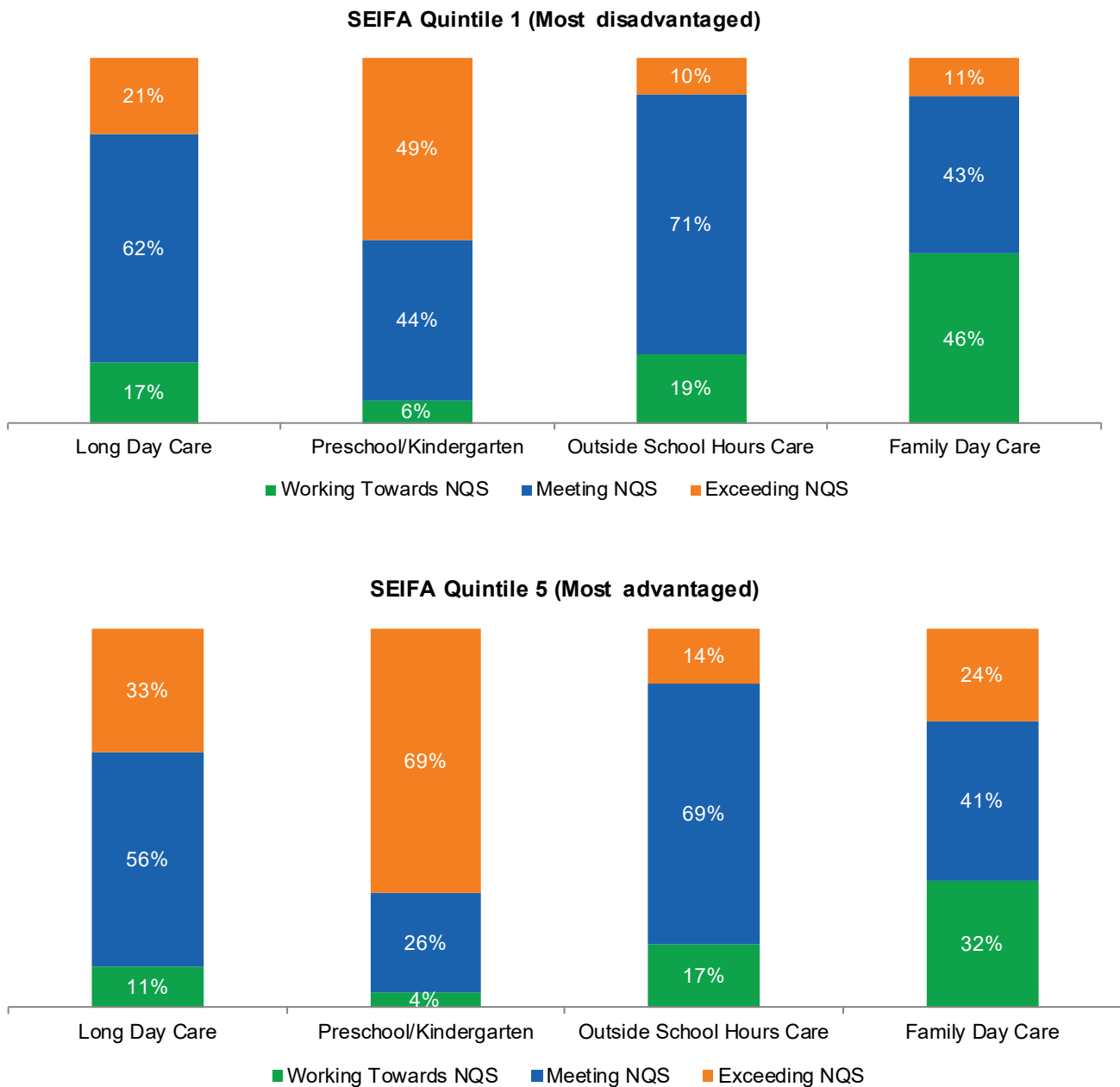
Figure 4.1: Overall quality ratings of services by SEIFA quintiles 1 and 5



At the quality area level, the greatest difference (nine percentage points) in the proportion of services rated Exceeding NQS in the most advantaged and disadvantaged areas relates to staffing arrangements (Quality Area 4). Educational program and practice (Quality Area 1) had the second greatest difference of eight percentage points. The smallest difference (two percentage points) relates to collaborative partnerships with families and communities (Quality Area 6).

Figure 4.2 highlights that family day care services display the greatest difference in services Working Towards NQS, with a 14 percentage point difference between the most disadvantaged areas and the most advantaged areas. While preschools/kindergartens display the greatest difference in the proportion of services rated Exceeding NQS, with a 20 percentage point difference between the most disadvantaged areas and the most advantaged areas.

Figure 4.2: Overall quality ratings of services by SEIFA quintiles 1 and 5 and service type, as at 30 June 2021



While services in the most disadvantaged areas are less likely to be rated Exceeding NQS, there are services in these areas achieving the Excellent rating (the highest quality rating, denoting exceptional education and care). Two such examples are below.

Yuille Park Children's Centre (Victoria)

Yuille Park Children's Centre, located in Ballarat, was awarded the Excellent rating by ACECQA in September 2019.

Examples of exceptional practice at the service include:

- Introduction of the Meals Program where the service provides opportunities for children to have breakfast through the Breakfast Club and supplement their lunchboxes with daily planned cooking experiences.
- Facilitating the 'Take what you need - Give what you can' initiative to reduce barriers of participation and increase families' and children's health and wellbeing. Families are encouraged and supported to access items of clothing, shoes, clothing accessories, packaged food, books and toys when needed through the program. Items are regularly donated by local businesses, the school's Food Bank initiative, service and school families, and educators and teachers.
- Employing an additional part-time educator as part of their School Readiness Funding Plan to provide support to children who have experienced trauma or have additional needs. This supports the children and educators by increasing the educator to child ratio, allowing for more targeted approaches in supporting children's communication and self-help skills, and emotional and social wellbeing.
- Partnerships with the Yuille Park P-8 Community College to improve children's health and wellbeing outcomes, and provide a broad range of supports to families.
- Establishing and leading an online Reconciliation Action Plan Group, which aims to support services across Victoria to develop their own Reconciliation Action Plans.

Alberton Preschool (South Australia)

Alberton Preschool, located in Adelaide, was awarded the Excellent rating by ACECQA in 2017 and again in August 2020.

Examples of exceptional practice at the service include:

- Partnerships with Alberton Primary School to undertake joint professional development and collaborative project inquiry and research work.
- Selection to participate in Project Quattro through the South Australia Collaborative Childhood Project.
- Undertaking a research project with the University of South Australia titled 'Children learning to live together in a diverse community: Culturally responsive pedagogy in Reggio Emilia inspired early learning settings'. Outcomes from the study included greater equity in contributions from children, increased peer engagement across diverse cultural backgrounds, and increased collaboration, respect and collegial interactions in peer groups.
- Embedded use of the Nunga Way, a pedagogical framework informed by local Aboriginal people.

Quality ratings by geographical remoteness

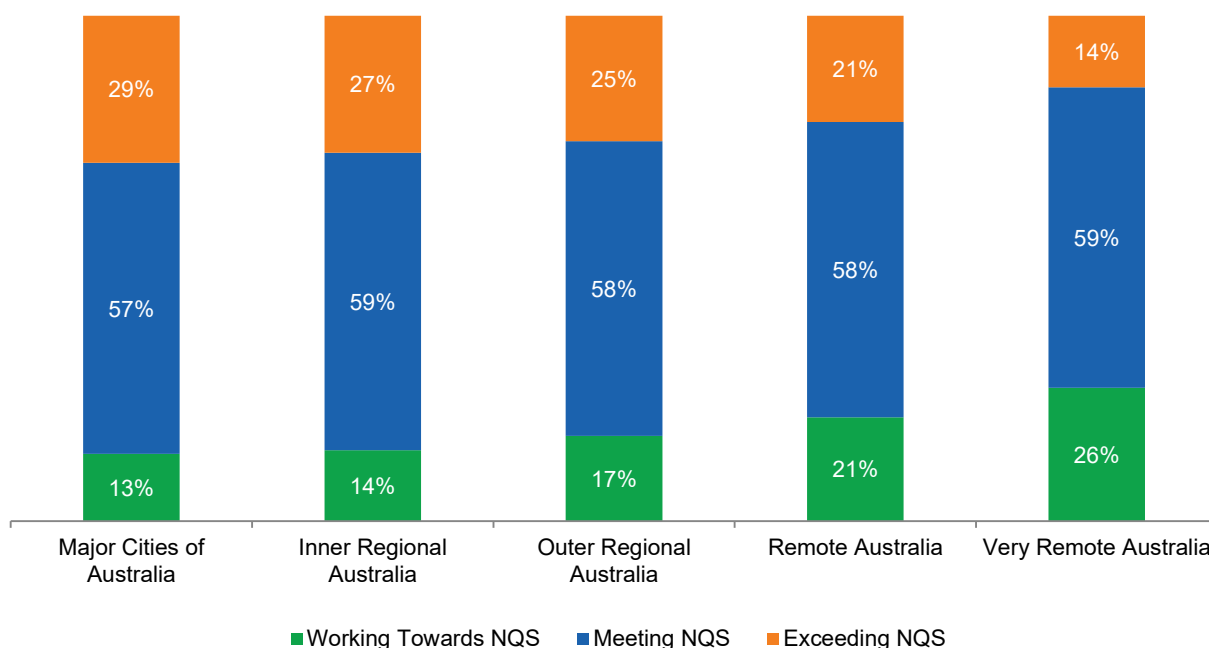
Figure 4.3 presents the distribution of services' quality ratings by the Accessibility/Remoteness Index of Australia (ARIA+)²².

Services located in geographically remote areas are more likely to be rated Working Towards NQS than services in more populated areas. While 13% of services in major cities and 14% of services in inner regional areas are rated Working Towards NQS, this increases to 17% for outer regional areas, 21% for remote areas and 26% for very remote areas.

The inverse pattern is evident for services rated Exceeding NQS. While 29% of services in major cities are rated Exceeding NQS, this decreases to 21% of services in remote locations and 14% of services in very remote locations. It is, however, important to note the relatively low number of services in remote and very remote areas compared with other geographic locations.

It is also important to note that remote areas often have higher levels of socioeconomic disadvantage than major cities or regional areas²³. This highlights the interrelated nature of social, community and family factors that can contribute to children experiencing vulnerability and disadvantage.

Figure 4.3: Overall quality ratings of services by ARIA+ classification, as at 30 June 2021



²² The Australian Bureau of Statistics' Remoteness Structure uses the Accessibility/Remoteness Index of Australia (ARIA+) to develop a standard classification and index of remoteness, based on road distances between populated localities and general service centres.

²³ ABS. (2020). *Population characteristics: Socio-economic disadvantage across urban centres*.



Overview

The Alice Springs (Mparntwe) Education Declaration sets out a vision for a ‘world class education system that encourages and supports every student’, recognising that the early years provide the foundation for learning throughout school and beyond.

The quality of the children’s education and care workforce is critical to the success of the NQF. Higher qualifications are strongly associated with improved child outcomes as appropriately qualified educators and teachers are better able to involve children, stimulate positive interactions, and use a range of strategies to extend and support learning and development.

A fundamental feature of the NQF is the requirement for service providers to retain a highly skilled workforce through mandatory standards for formal qualifications. Since the commencement of the NQF, the proportion of qualified educators and teachers has increased across all service types²⁴.

While a highly skilled workforce is integral to the provision of high quality education and care across all aspects of the National Quality Standard, Quality Area 4 (Staffing arrangements) specifically focusses upon staffing.

²⁴ Australian Government Department of Education, Skills and Employment, Early Childhood Education and Care National Workforce Census 2010, 2013 and 2016.

Staffing arrangements quality ratings

Figure 5.1 compares performance against Quality Area 4 over time, showing the proportion of services rated Meeting NQS or above.

As at 30 June 2021, 96% of services are rated Meeting NQS or above – the highest ever proportion since the introduction of the NQF in 2012.

Figure 5.1: Proportion of services rated Meeting NQS or above for Quality Area 4

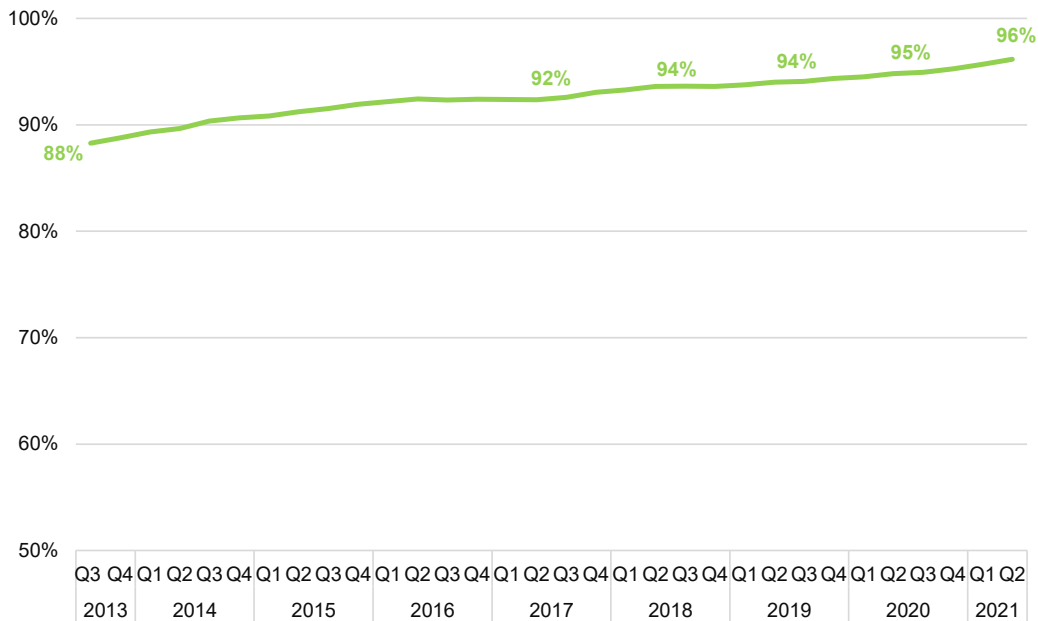


Figure 5.2 shows that preschools/kindergartens continue to have the highest proportion of services rated Meeting NQS or above, followed by outside school hours care, long day care and family day care services.

While family day care services continue to have the lowest proportion of services rated Meeting NQS or above, 88% of family day care services are rated Meeting NQS or above – the highest proportion for more than five years.

Figure 5.2: Proportion of services rated Meeting NQS or above for Quality Area 4, by service type

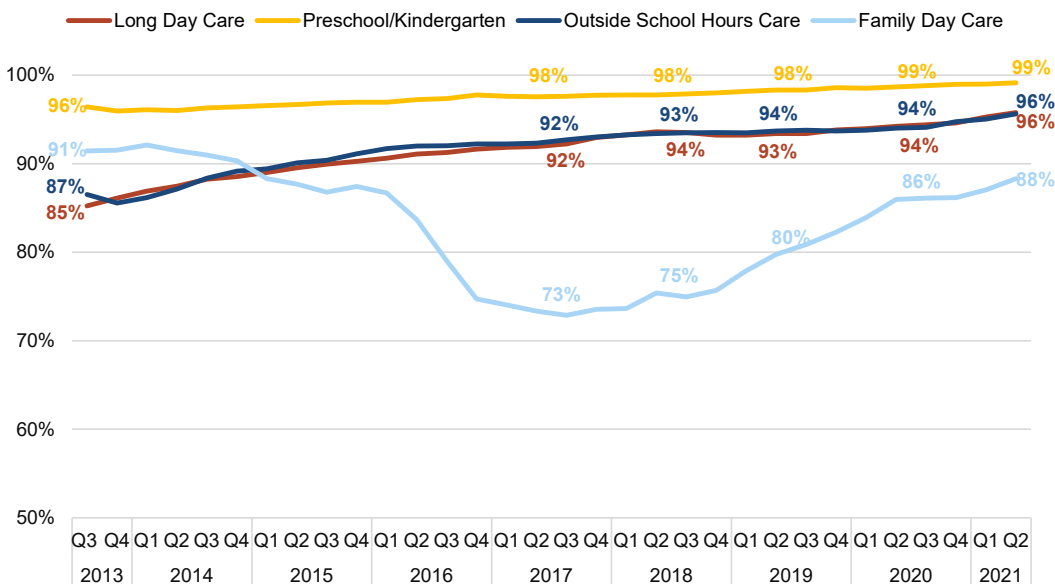
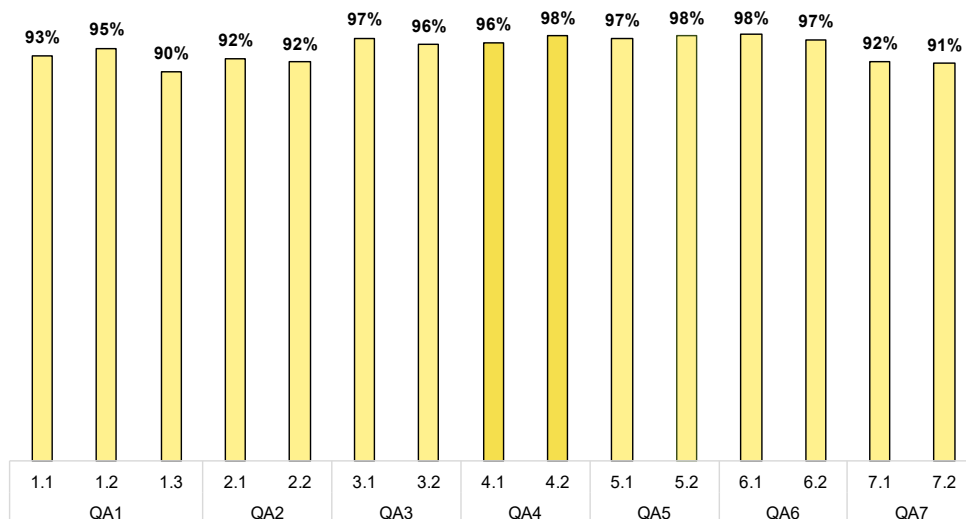


Figure 5.3 shows Standard 4.1 (Staffing arrangements) and 4.2 (Professionalism) are less challenging than many other standards of the NQS.

As at 30 June 2021, 98% of services are rated Meeting NQS or above for Standard 4.2 and 96% for Standard 4.1.

While the two standards are comparatively less challenging to meet, they have the sixth and seventh lowest numbers of services rated Exceeding NQS.

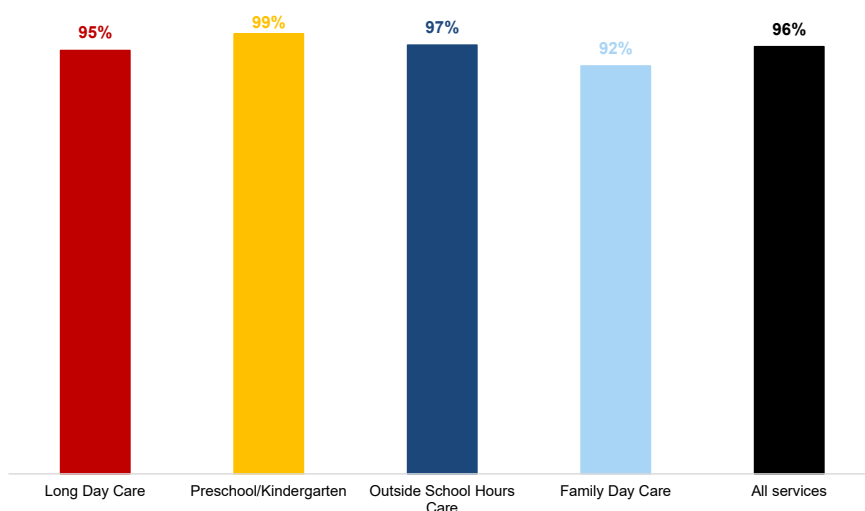
Figure 5.3: Proportion of services rated Meeting NQS or above for each standard of the NQS, as at 30 June 2021



Of all 40 elements of the NQS, Element 4.1.1 (Organisation of educators) has the tenth highest number of services assessed as Not Met.

Figure 5.4 shows the proportion of services assessed as Met for Element 4.1.1. The overall proportion of services assessed as Met for the element has increased compared to a year ago.

Figure 5.4: Proportion of services assessed as Met for Element 4.1.1 (Organisation of educators), as at 30 June 2021



The Education and Care Service National Regulations mandate educator to child ratios and educator qualification requirements. The majority of educators hold vocational education and training (VET) level qualifications. The National Regulations also require specific early childhood teacher requirements for long day care services and preschools/kindergartens, which are aligned to the number of children being educated and cared for.

Vocational education data

Table 5.1 shows the total enrolments in the two major early childhood VET courses between 2016 and 2020. While the number of enrolments in the Certificate III in Early Childhood Education and Care (ECEC) has remained steady at above 50,000, the number of enrolments in the Diploma of ECEC has decreased from just under 75,000 to less than 45,000.

Table 5.1: Vocational education enrolment numbers²⁵

Qualification	2016	2017	2018	2019	2020
Certificate III in ECEC	53,940	53,795	52,835	54,880	55,010
Diploma of ECEC	74,955	67,285	52,240	48,105	44,895
Total	128,890	121,080	105,075	102,985	99,905

As well as recording enrolment numbers, the National Centre for Vocational Education and Research (NCVER) tracks vocational education completion rates using the unique student identifier.

Table 5.2 shows that completion rates for the 2015, 2016, 2017 and 2018 cohorts are expected to steadily increase for both the Certificate in ECEC and Diploma of ECEC, with the average completion rate across all vocational education and training courses also expected to increase year on year.

Table 5.2: Vocational education completion rates²⁶

Qualification	2015	2016	2017	2018
Certificate III in ECEC	46%	49%	51%	56%
Diploma of ECEC	40%	43%	52%	57%
All vocational education and training	41%	42%	46%	52%

In 2017, the Australian Industry and Skills Committee (AISC) commissioned SkillsIQ to review the national children's education and care vocational qualifications.

The new training package was approved by the AISC in February and April 2021. As part of the review, a number of key changes have been made, including:

- strengthened assessment requirements
- increased work placement hours
- new entry requirements for the Diploma of Early Childhood Education and Care.

²⁵ NCVER, *Total VET students and courses* - historical data is refreshed each year.

²⁶ NCVER, customised unpublished completion rates as of December 2020

The revised qualifications were endorsed by State and Territory Skills Ministers in July 2021. The following five qualifications are now published on training.gov.au:

- CHC30121 Certificate III in Early Childhood Education and Care
- CHC50221 Diploma of School Age Education and Care
- CHC30221 Certificate III in School Based Education Support
- CHC40221 Certificate IV in School Based Education Support
- CHC50121 Diploma of Early Childhood Education and Care.

In August 2021, the Australian Skills Quality Authority (ASQA) approved a formal request from SkillsIQ to extend the training package teach-out period until 20 January 2023.

Higher education data

Figure 5.5 shows the number of students commencing early childhood and primary initial teacher training degrees at Australian higher education institutions from 2009 to 2019.

While some primary teaching degrees only qualify graduates to teach in schools, most NQF approved early childhood teaching qualifications cover birth to eight years or birth to 12 years, qualifying graduates to teach across the early childhood and primary school age range.

Although commencement numbers for early childhood initial teacher training degrees have increased slightly from 3187 in 2009 to 3541 in 2019, the 2019 figure is lower than every year since 2010.

Similarly, while commencement numbers for primary initial teacher training degrees increased slightly across the overall period, from 8806 in 2009 to 9149 in 2019, the 2019 figure is the second lowest since 2010.

Figure 5.5: Early childhood and primary initial teacher training degree commencement numbers

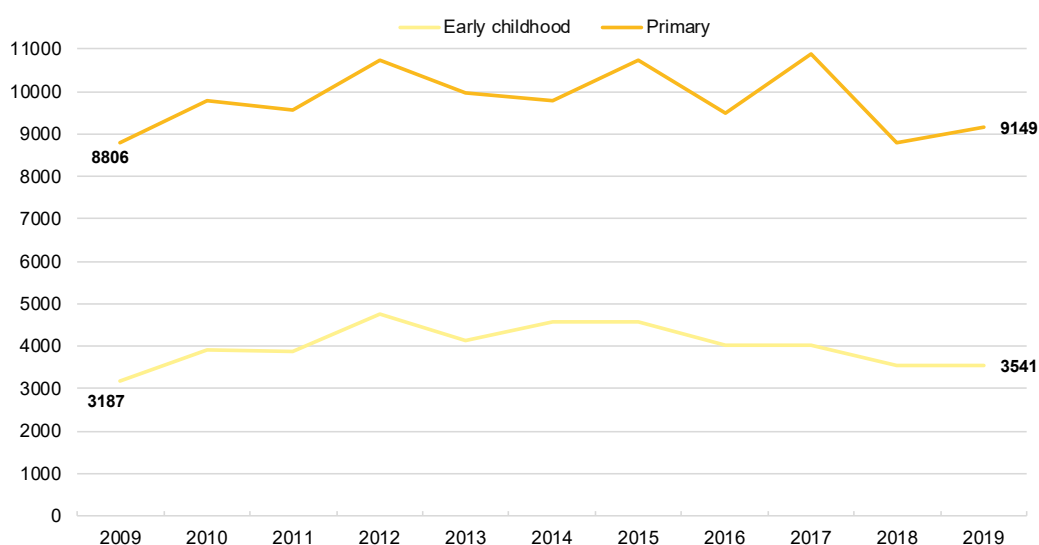


Figure 5.6 shows the number of students completing early childhood and primary initial teacher training degrees at Australian higher education institutes from 2009 to 2019.

Completion numbers for early childhood initial teacher training degrees have increased from 1781 in 2009 to 2144 in 2019, with completion numbers for primary teaching degrees decreasing across the same period.

Figure 5.6: Early childhood and primary initial teacher training degree completion numbers

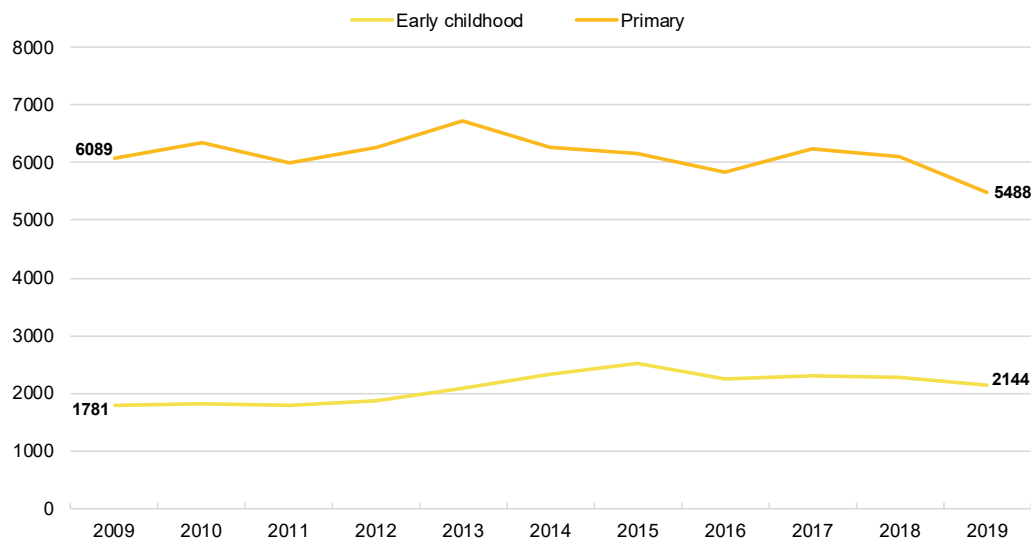


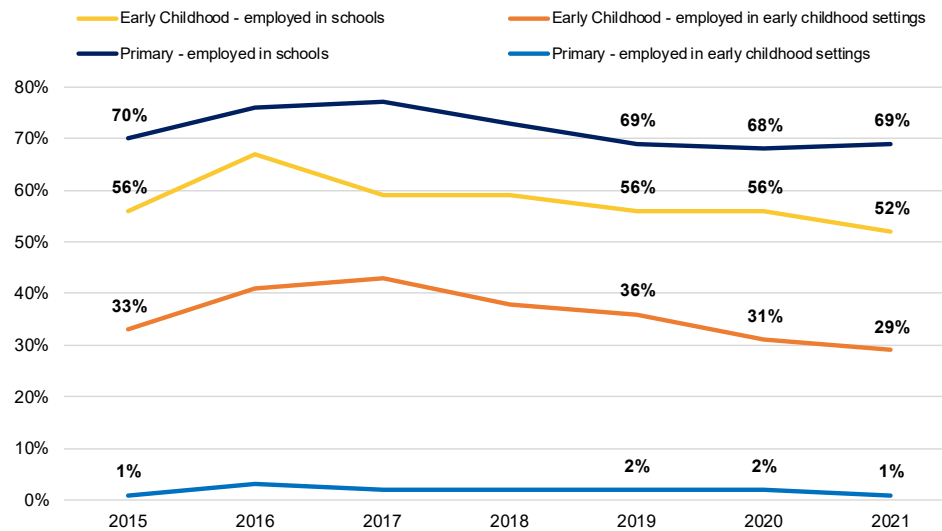
Figure 5.7 shows that over the past four years there have been year on year decreases in the proportion of early childhood graduates gaining employment in early childhood settings upon completion of their studies. The majority of early childhood graduates continue to gain employment in schools.

This is likely due to the large number of students undertaking early childhood courses that cover the birth to eight age range, qualifying graduates to work in both early childhood settings and in primary schools. A recent study found a significant proportion of early childhood initial teacher education students intend to seek employment in primary school settings where pay and conditions are generally more favourable than the early childhood sector²⁷.

The structure of many initial teacher education courses may also influence students to seek a career in the schooling system. Early childhood related supervised professional experience placements often occur early in the degree, with the final placement typically being a primary school placement. A successful final placement leads many graduates to then seek employment in that setting.

Conversely, only a very small proportion of primary graduates obtain employment in early childhood settings. This would suggest that relatively few students undertaking courses that cover the birth to 12 age range seek employment as early childhood teachers upon completion of their studies.

27 Boyd, W., & Newman, L. (2019). *Primary + early childhood = chalk and cheese? Tensions in undertaking an early childhood/primary education degree*. *Australasian Journal of Early Childhood*, 44(1), 19–31.

Figure 5.7 Higher education graduate outcomes²⁸

Staffing waivers

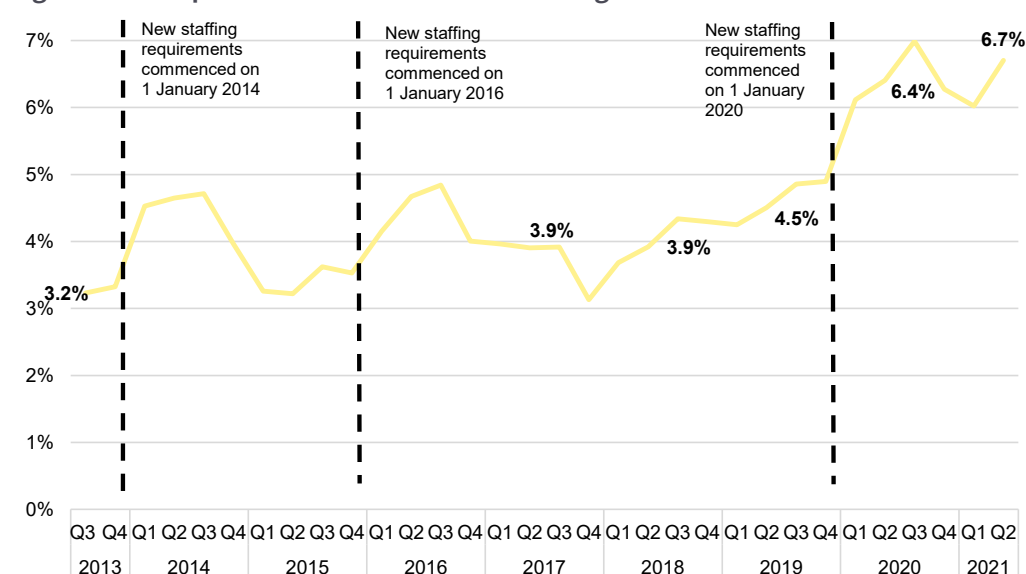
State and territory regulatory authorities may issue a waiver if an approved provider can demonstrate difficulty meeting staffing requirements at a children's education and care service.

Approved providers can apply for a service waiver, where an issue is likely to be ongoing, or a temporary waiver, where the issue can be addressed within 12 months. The vast majority of staffing waivers are temporary arrangements to ameliorate short term staffing challenges, particularly in relation to early childhood teacher requirements.

Figure 5.8 shows that 6.7% of services hold a staffing waiver as at 30 June 2021.

Previous increases in the proportion of services with staffing waivers reflect the short term difficulties some providers had in meeting new staffing requirements that came into effect on 1 January 2014 and 1 January 2016.

The recent high proportions follow the introduction of new staffing requirements on 1 January 2020 and also likely reflect the ongoing impact of COVID-19.

Figure 5.8: Proportion of services with a staffing waiver²⁹

28 Australian Department of Education, Quality Indicators for Learning and Teaching, Graduate Outcomes Survey.
29 Description of the 2014 requirements, 2016 requirements and 2020 requirements.

Figure 5.9 shows the proportion of staffing waivers for each of the three types of centre-based service. While staffing waivers for outside school hours care services, which do not require early childhood teachers and have state and territory specific qualification requirements, and preschools/kindergartens, which typically have more established and experienced staff, have remained low, long day care services have driven the overall trend and caused the recent notable increases.

As at 30 June 2021, 11% of long day care services hold a staffing waiver, with most of these waivers relating to the early childhood teacher requirements of the National Regulations.

Figure 5.9: Proportion of services with a staffing waiver, by centre-based service type

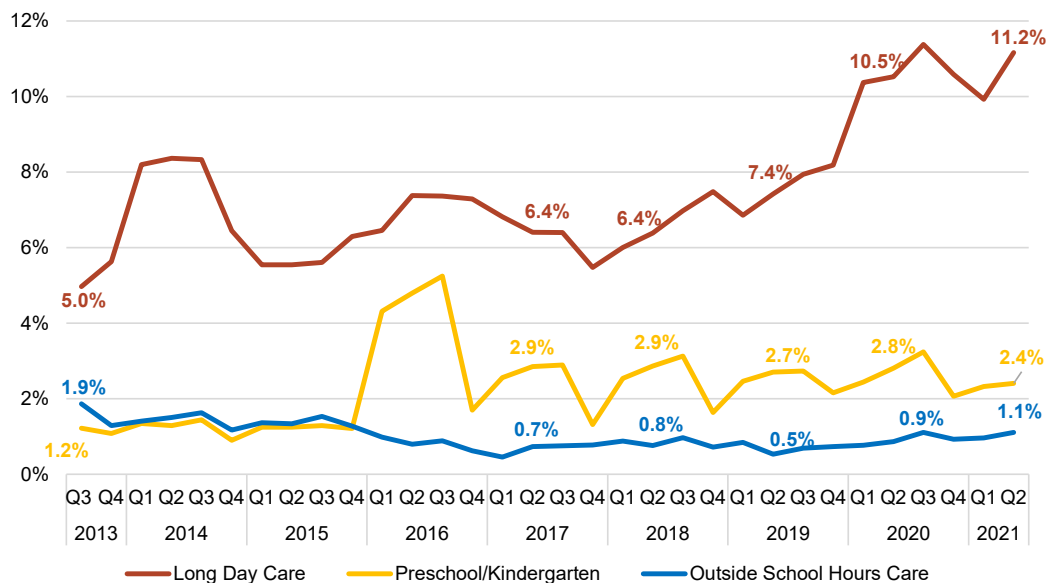
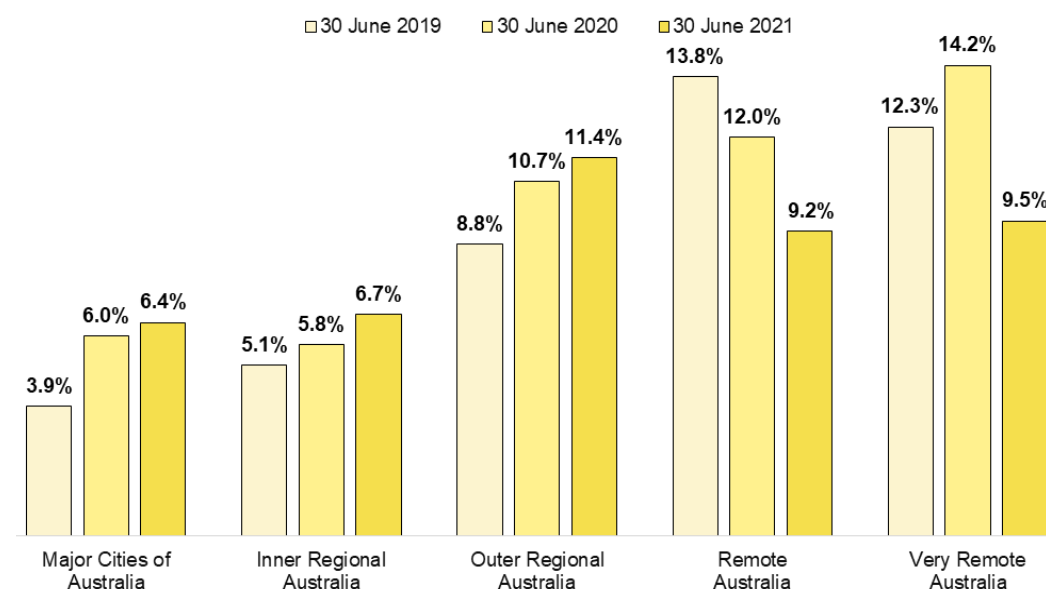


Figure 5.10 shows there is a recent marked increase in staffing waivers for services located in both major cities and regional areas. Yearly fluctuations in the proportion of staffing waivers in remote areas partly reflect the relatively small numbers of services in these areas compared to other geographic locations.

Figure 5.10: Proportion of services with a staffing waiver by remoteness classification



Educator wellbeing

Well-supported teachers, educators and staff are critical to quality education and care. The following two case studies provide examples of innovative practice relating to educator wellbeing.

Bermagui Preschool (New South Wales)

Bermagui Preschool was awarded the Excellent rating by ACECQA in September 2019, and re-awarded the rating in July 2021.

Examples of exceptional practice at the service include:

- Creating the Bermagui Preschool Mental Health and Wellbeing Program in response to significant events that had affected the community, including catastrophic drought, bushfires, floods and the ongoing COVID-19 pandemic. The program focuses on building capacity and resilience to support recovery at both individual and community levels.
- Building and maintaining a community garden, called the Moodji Cultural Garden Project. This project raises awareness and appreciation of the Djiringanj language, bushfoods and heritage, and creates community connections through a range of events.
- Awareness of, and responsiveness to, issues that impact educators' health and wellbeing, including the introduction of flexible working arrangements to enable educators to recover from the impact of the bushfire, weekly access to a therapist and increased mentoring and support for new staff.
- Supporting educators to grow professionally by sharing their expertise and experience with educators at other services and by pursuing leadership opportunities with external organisations. Two educators at the Bermagui Preschool were also supported to open their own family day care services.

Clarendon Children's Centre Co-op (Victoria)

Clarendon Children's Centre Co-op, located in South Melbourne, was awarded the Excellent rating for the third time by ACECQA in August 2021.

Examples of exceptional practice at the service include:

- Increased rate of pay granted when a staff member obtains a higher qualification, even when there is no change to their role.
- Annual staff evaluation surveys conducted to formally gather suggestions and feedback. These are used to inform the service's continuous improvement practices.
- Commitment to professional development of staff, through dedicated budget allocation towards training opportunities.
- A distributed model of leadership, with a suite of specialised leadership positions that all staff can apply for. Positions include:
 - » Four co-educational leaders
 - » Sustainability leader
 - » Indigenous perspectives leader
 - » Wellbeing, inclusion and diversity leader
 - » Healthy eating leader
 - » Outdoor learning leader
 - » Occupational health and safety leader.

Children’s education and care national workforce strategy

Commissioned by Education Ministers, national sector stakeholders and all Australian governments have closely collaborated to co-design a new ten-year children’s education and care national workforce strategy to support the recruitment, retention, sustainability and quality of the sector workforce.

‘[Shaping Our Future](#)’ acknowledges and builds on the significant investment by all governments to date in workforce related initiatives, as well as a range of recent and ongoing initiatives launched by the sector. It provides a roadmap for ongoing collaboration and partnership between all parties, including governments, service providers, education and training providers, peak associations, regulatory bodies, and educators and teachers, and their representative bodies.

The Strategy is structured around six interrelated focus areas and includes 21 actions to be pursued over the short (within the next three years), medium (within the next six years) and long (within the next ten years) term.

Work will now commence with all governments and sector stakeholders to co-design an implementation and evaluation plan to guide collaborative efforts to achieve the strategy’s objectives. Representatives from all Australian governments and national sector stakeholder groups have been involved throughout the development process, and will continue to be involved to deliver the strategy over the next decade.



Overview

Information about the quality of children’s education and care services is published on the [ACECQA](#) website, the [Starting Blocks](#) website, and in quarterly [NQF Snapshot](#) reports.

ACECQA regularly conducts research with families to better understand the different factors and information sources involved in education and care service decision-making, and to gauge the level of awareness and understanding of education and care service quality ratings.

Biennial families’ survey

The 2021 survey received a total of 4026 responses, compared to 3362 responses in 2019 and 2511 responses in 2017.

Responses were received from a nationally representative sample of families using, or considering using, children’s education and care services.

Figure 6.1 shows that, similar to the previous two waves of the survey, almost two thirds of respondents used a single service, while around one quarter were considering using a service in the next 12 months, and the remainder were using more than one service.

Figure 6.1: Service use profile

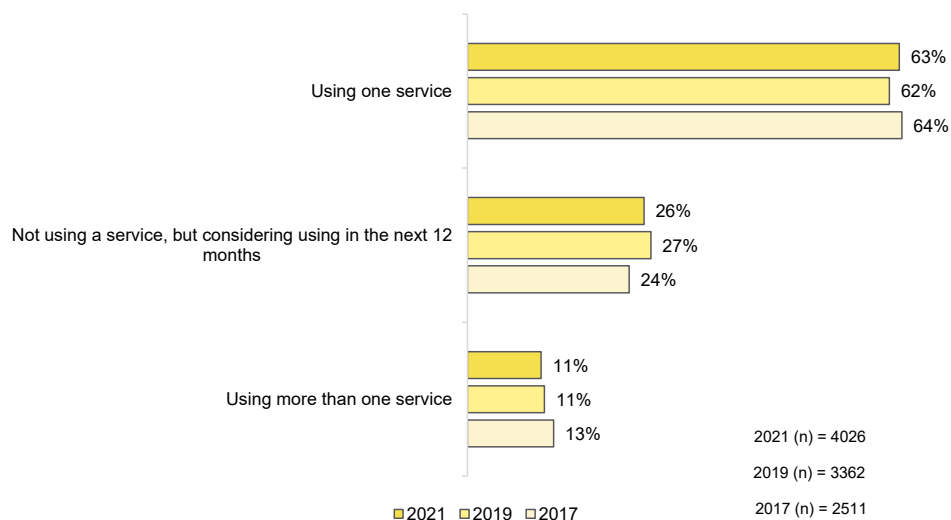
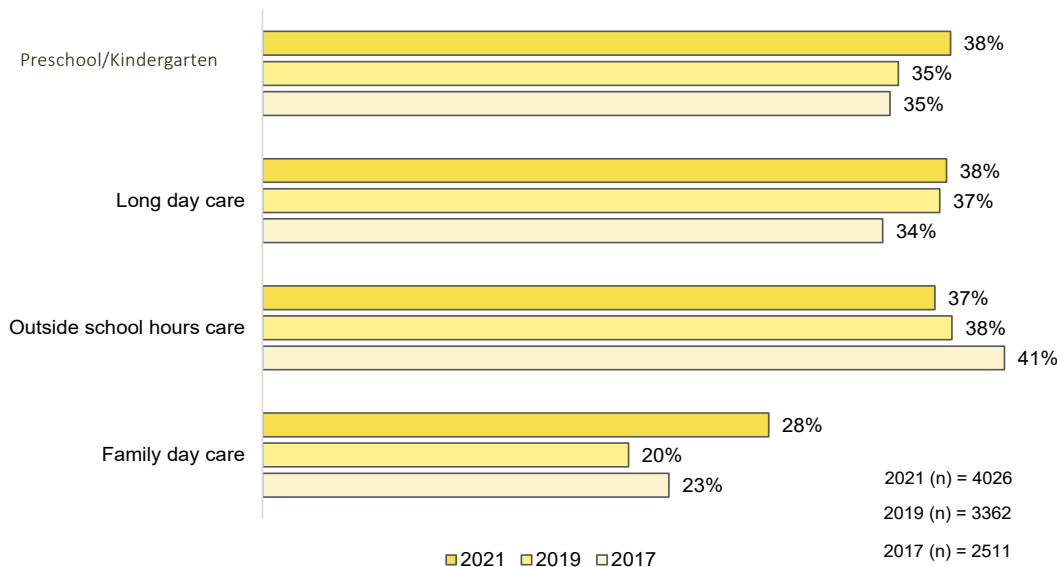


Figure 6.2 shows that there was a relatively even spread of respondents using each of the centre-based service types of preschool/kindergarten, long day care and outside school hours care. However, the proportion of respondents using outside school hours care services is slightly lower than previously, while the proportion of respondents using family day care services rose above 25% for the first time.

Figure 6.2: Type of service used by survey respondents



Awareness of quality ratings

Figure 6.3 highlights that the level of awareness of quality ratings has increased across the three waves of the survey, from 40% in 2017, to 46% in 2019, to 55% in 2021. This represents a 15 percentage point increase since 2017.

Figure 6.3: Survey respondents' awareness of the quality rating system

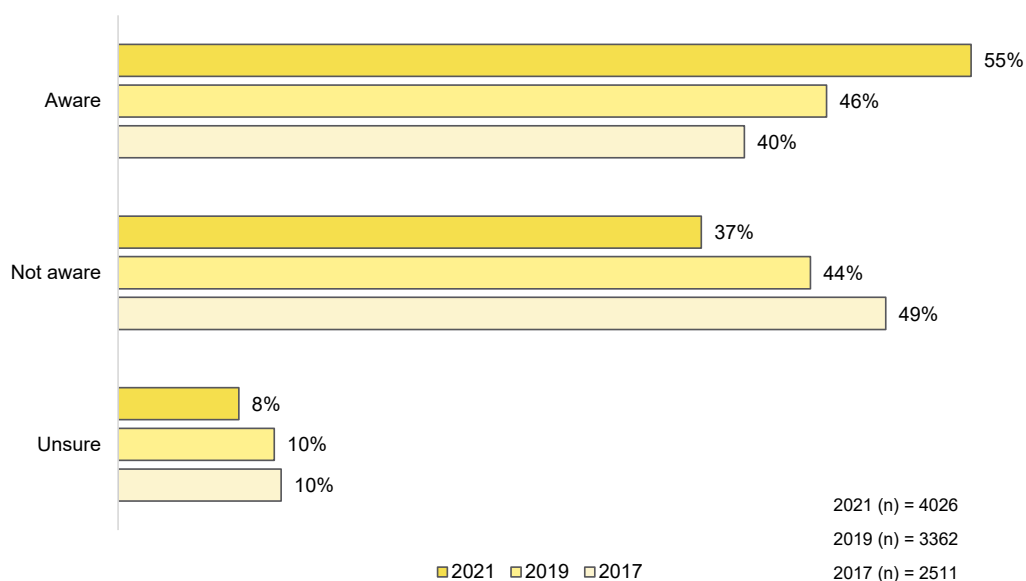
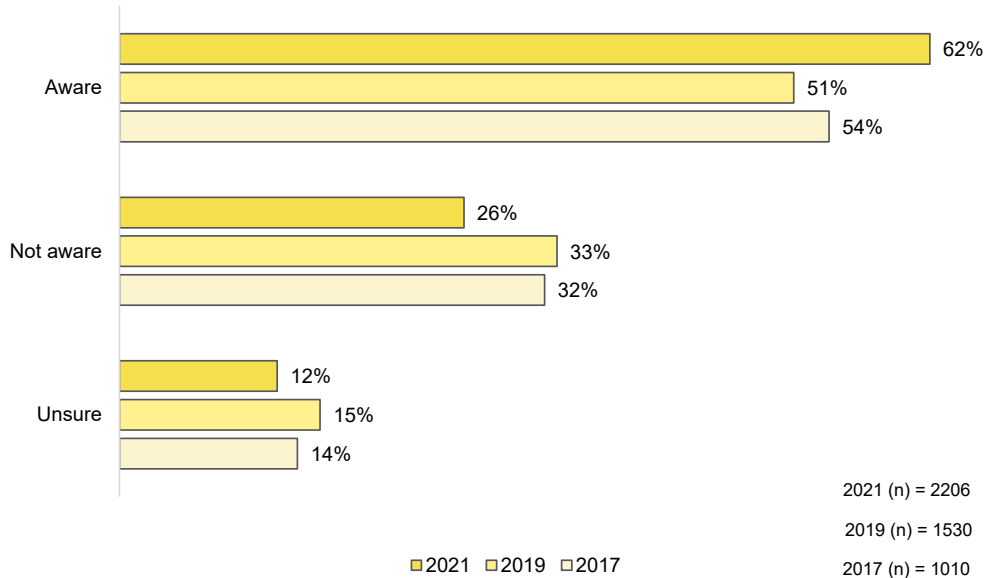


Figure 6.4 shows that, of the 2206 respondents who were aware that children’s education and care services are quality rated, approaching two-thirds (62%) knew the quality rating(s) of the service(s) that they use or intend to use. This represents an eight percentage point increase since 2017.

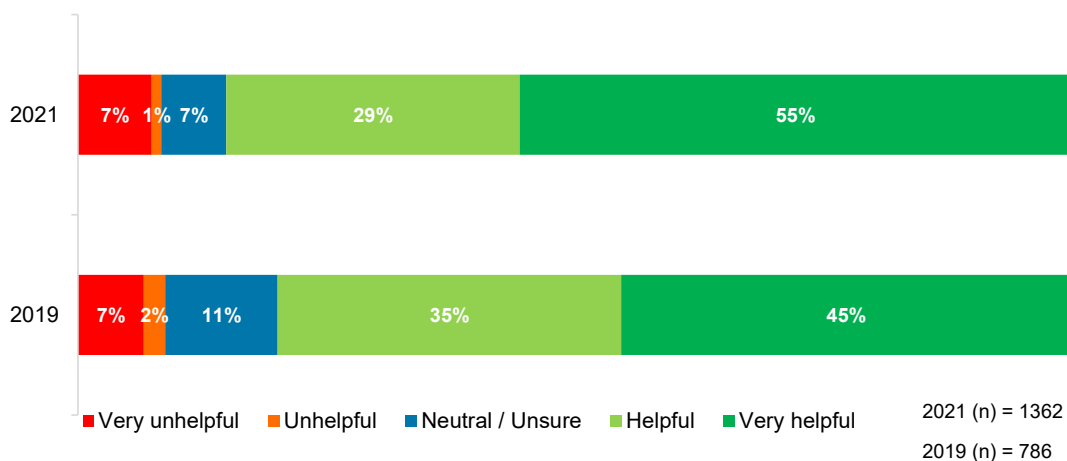
Figure 6.4: Survey respondents’ knowledge of individual service quality rating(s)



Helpfulness of quality rating information

Figure 6.5 highlights that, of those respondents who were aware of the quality rating(s) of the service(s) they use, most found the quality rating information helpful (29%) or very helpful (55%). The latter represents a ten percentage point increase since 2019 when the question was first added.

Figure 6.5: Survey respondents’ opinion of the helpfulness of quality rating information

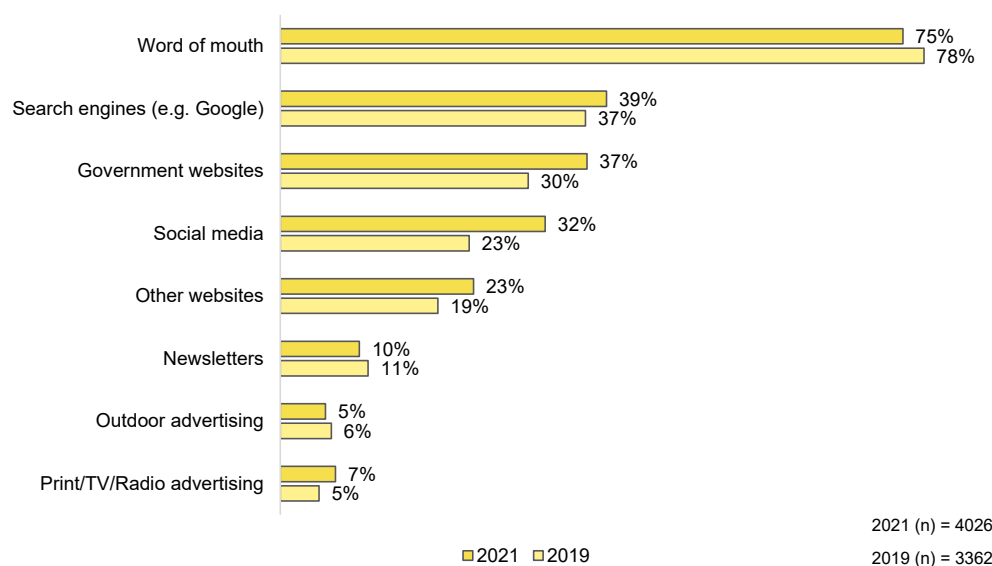


The small number of respondents who said that they found the quality rating information unhelpful or very unhelpful were asked why this was the case. Similar to 2019, common responses included that the quality rating is subjective and not always a true representation of service quality, and that the quality rating information needs more detail and explanation.

Information sources

Figure 6.6 shows that a high proportion of survey respondents again relied on word of mouth to help them find out more about services. Other sources frequently used include search engines, government websites and social media.

Figure 6.6: Information sources used by survey respondents



Of those survey respondents who used word of mouth to find out more about education and care services, they primarily spoke with friends and/or family, followed by educators at the service, other parents, and teachers at the school where the service is located.

Of those survey respondents who used government websites to find out more about education and care services, the most commonly used websites were the [Child Care Finder](#) website, followed by state and territory government websites, the ACECQA website and the [Starting Blocks](#) website.

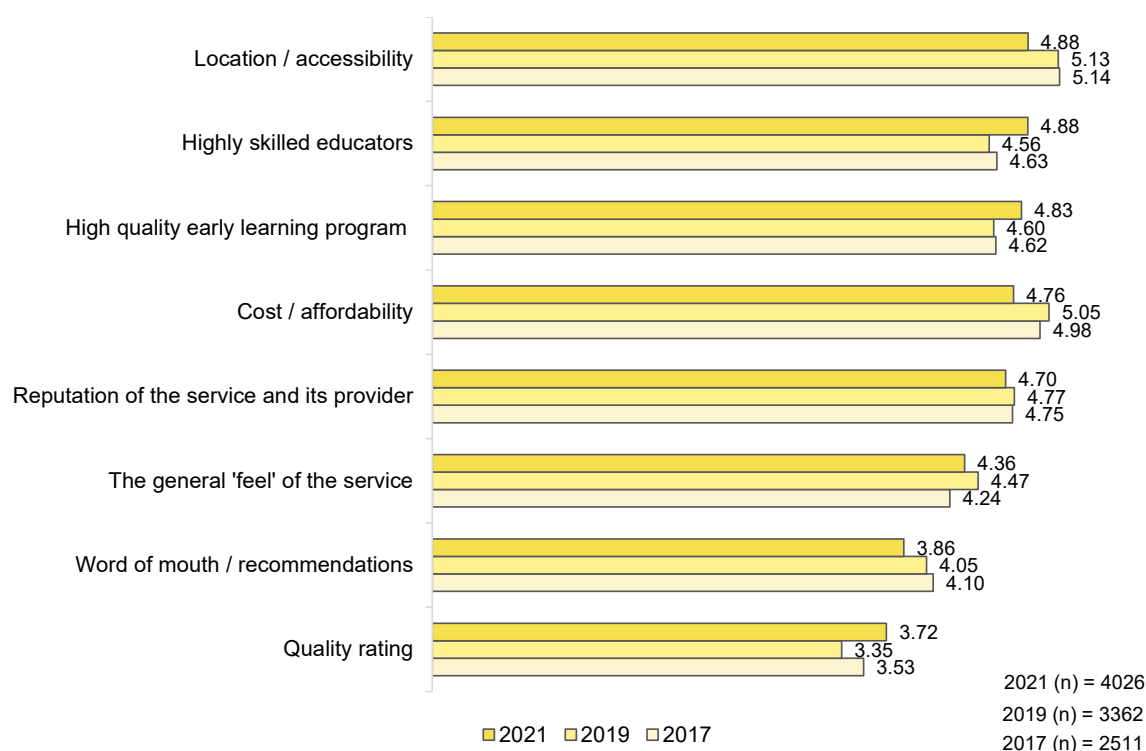
From February 2022, service fees, vacancies and quality ratings will all be published on the Starting Blocks website. This information will stop being published on the Child Care Finder website from June 2023.

Decision-making factors

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

Figure 6.7 confirms that service location and accessibility remains a very important factor, while the quality rating continued to be ranked the least important relative to other decision-making factors. However, two important service quality indicators – highly skilled educators and a high quality early learning program – ranked more highly in 2021 than in previous waves of the survey.

Figure 6.7: Survey respondents' ranking of the most important factors when choosing a children's education and care service (weighted averages)³⁰



The type of service a survey respondent was using also influenced the importance they placed on specific factors.

For example, location/accessibility was the most important factor for survey respondents using long day care and outside school hours care services, whereas a high quality early learning program ranked as the most important factor for those using preschools/kindergartens and family day care services.

Cost/affordability was also an important factor for survey respondents using outside school hours care services and family day care services, but was considered less important by those using long day care services and preschools/kindergartens.

Survey respondents were also asked what other factors, if any, influenced (or would influence) their choice of service. Similar factors were raised to previous waves, including:

- relationships with, and between, educators and children (such as how friendly and approachable the educators are)
- how happy and comfortable the children are at the service
- educational programs and activities offered.

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



Australian Children's
Education & Care
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