

The Australian Workforce and Productivity Agency (AWPA) is currently updating its advice on the Australian Government's **Skilled Occupation List (SOL)** for 2014.

We are seeking your input on the occupations/industry sectors your organisation represents or that you belong to as an individual. In particular, we are seeking evidence of:

- demand and supply imbalance,* both nationally and regionally
- medium-to-long term demand and supply trends which may impact upon Australia's employment outlook
- formal licensing or registration requirements.

Please email this completed form to SOL@awpa.gov.au by COB Friday 22 November, 2013.

Note: The SOL is concerned **only** with medium-to-long-term skills needs rather than immediate skills shortages. As such, AWPA is only seeking to obtain information on longer term trends, rather than immediate shortages and costs. For the purposes of this exercise, 'medium-to-long term' is defined as a period of around two to ten years.

* **Skill demand and supply (im)balance** occurs when the quantity of a given skill supplied by the work force and the quantity demanded by employers diverge at the existing market conditions. Labour market supplies and demands for occupational skills are continuously fluctuating. At a certain point in time, there will be labour market imbalances and accompanying skill imbalances because of the disequilibrium between the demand for and supply of skills.

1. Name:

Organisation: Early Childhood Australia

2. What are the industry/industries and ANZSCO occupation/s that you or your organisation represents for the purposes of this submission?

Industry/industries:	ANZSCO code (four-to-six digit)	Occupation/s
Early Childhood Education and Care	421111	Early Childhood (Pre-primary School) Teacher
	134111	Child Care Coordinator (A)
	134111	Child Care Centre Manager
	134111	Child Care Centre Director (A)
	421111	Child Care Worker

	421112	Family Day Care Worker
	421113	Nanny
	421114	Out of School Hours Care Worker

Note: Use the ANZSCO link to check ANSCO occupation numbers.
Add extra rows to this table if you represent more occupations.

3. Are there any occupations that you represent where there is evidence of imbalances in the demand for and supply of skills in the medium-to-long term?

If possible, provide a quantified estimate of the demand and supply for your nominated occupation(s) out to 2020.

421111 Child Care Worker (Diploma Qualified).

Early Childhood Australia supports the listing of Diploma and Advanced Diploma qualified (or equivalent) Early Childhood Educators (Child Care Workers) on the Skilled Occupation List (SOL).

The Productivity Commission has reported that as a result of the *National Quality Framework* for Early Childhood Education and Care (ECEC), the preschool and long day care (LDC) workforce could be about 15 per cent larger than it would otherwise have been (Productivity Commission, 2011, p. 87). The Commission also reports that employers are having difficulty recruiting and retaining qualified workers with the necessary Diploma qualifications (Productivity Commission, p. 106). This is despite training subsidies offered through the *National Partnership on TAFE Fee Waivers for Child Care Qualifications* ending 31 December, 2014 and other workforce development measures.

The latest published Department of Education, Employment and Workplace Relations (DEEWR) National ECEC Workforce Census 2010 shows that only 31.9 per cent of workers in long day care attained Diploma or Advanced Diploma qualification, with 9.4 per cent attaining a Bachelor degree or higher (DEEWR, 2011, p.10).

Australian Community Children's Services' trends survey showed that in respondent services, 35 per cent of educators had a Diploma while 12 per cent were working towards the qualification (ACCS, 2013, p. 20).

While the sector has made significant progress in meeting the qualification standards, there is still an ongoing shortage of qualified educators, particularly at Diploma level. This is reflected in the large number of vacancies in the labour market for these roles, offering above Award wages.

4. Is there evidence of imbalances in the demand for and supply of skills in the medium-to-long term in non-metropolitan areas?

If so, can you indicate in what part of Australia and the number in the occupation in over- or under-supply.

Rural and Regional areas face more acute shortages of qualified early childhood educators. As the Productivity Commission noted:

'With ECEC services in rural and remote areas already experiencing greater difficulty in recruiting both educators and teachers than their counterparts in urban areas, study participants expressed concern that they will be unable to find enough qualified staff to meet the NQS [*National Quality Standard*].' (Productivity Commission, 2011, p. 187).

'ECEC employers in some rural and remote areas face overwhelming competition for workers from other

sectors', including mining (Productivity Commission, 2011, p. 190) while others struggle because of isolation and remoteness (Productivity Commission, 2011, p. 189).

There is no comprehensive data available on workforce shortages that we are aware of, however ECA receives regular anecdotal evidence of shortages from ECEC services. One provider commented:

'... we offer interest free loans for approved courses (cert, dip, degree) and an internal scholarship program. These initiatives have been successful. However, we do have issues with rural and remote services—we are looking at different models to support meeting requirements ... but already face waivers in one service.'

Government workforce training and development initiatives are targeted at rural and remote locations due to the acute shortages across most locations (see the DEEWR HECS-HELP Benefit and Recognition of Prior Learning Grants guidelines).

5. Are there any occupations which require formal licensing or registration arrangements in order to practice/perform in this occupation?

For example:

- *Midwives are required to register with the nurses board in their state or territory*
- *Panel beaters are required to be registered or certified with the state Motor Vehicle Repair Industry Authority*

There is no current professional registration or accreditation of Child Care Workers (Diploma Qualified).

However, under Regulation 137(1)(b) of the *Education and Care Services National Regulations* the Australian Children's Education and Care Quality Authority (ACECQA) must publish a list of approved Diploma level education and care qualifications which meet the *National Quality Framework* requirements.

An individual with education and care qualification(s) not listed on any of the approved qualifications lists can apply to ACECQA to have their qualifications assessed for equivalence according to the Qualification assessment guidelines. This includes overseas qualifications.

6. Is it expected that your employment sector will be impacted by any medium-to-long term trends which will impact upon demand and/or supply (excluding costs associated with training, labour hire, and international sponsorship)?

Please provide evidence (e.g. data source, policy document) which substantiates these claims.

For example:

- *New benchmarks for childcare centres will be introduced by the Australian Government on 1 January 2014, which will mandate increased staff-to-child ratios and higher qualification standards for childcare workers.*

New benchmarks for ECEC services have been introduced by all Australian governments with requirements beginning on 1 January, 2014 for increased higher qualification standards for early childhood workers (*Education and Care Services National Law*).

All long day care, family day care and preschool staff will be required to hold or be working towards a formal qualification in ECEC by 2014.

In long day care services and preschools, at least 50 per cent of staff will be required to attain or be working towards a Diploma qualification in children's services or above.

All family day care coordination unit staff will be required to attain or be working towards a Diploma qualification in children's services or above.

Access Economics modelled the number of staff needed from 2010 through to 2020. The modelling shows that the number of Diploma qualified staff required would grow from 13 500 to 28 000, and for degree qualified staff, to grow from 9700 to 17 500 during this period (December, 2009) (COAG, 2009, p. 162).

While the number of Diploma qualified staff is projected to be in surplus by 2019, we believe that this should not diminish the opportunity, in the meantime, to list the occupation on the SOL to complement existing workforce development measures which are in place.

Early Childhood Australia has consulted with ECEC providers who expect the medium-long term shortage of supply of Diploma qualified educators to continue. One provider commented:

'This has been an ongoing problem now for some years (at least three) even before the NQF requirements. It has a lot to do with wages and conditions.'

The introduction of the National Quality Agenda has also been paralleled by a 29.8 per cent increase in the number of children in child care since 2007 and a 40.3 per cent increase in the number of approved child care services (DEEWR, 2013, pp. 22, 27). The sector is expected to continue to grow strongly to meet the demand for ECEC driven by both workforce participation benefits for parents and greater understanding of the early learning benefits for children.

7. Please provide any other information you consider relevant evidence to support your submission

For example, you may know of some independent studies about your occupation that supports your advice to us.

Early Childhood (Pre-Primary School) Teachers and Child Care Centre Managers are currently listed on the SOL. Advanced Diploma and Diploma qualified educators are not listed. Early Childhood Australia supports the listing of Diploma and Advanced Diploma qualified (or equivalent) Early Childhood Educators (Child Care Workers) on the Skilled Occupation List (SOL).

There is a strong need to attract qualified early childhood educators to meet the *National Quality Framework* requirements which begin in 2014.

Research is unequivocal on the link between staff qualifications and training and improved outcomes for children in early childhood education and care programs (ECA, 2013, p. 4).

If the qualifications meet Australian standards as assessed by ACECQA, we consider that listing Diploma Qualified Early Childhood Educators on the SOL would improve the learning and development of children, while also helping ECEC services to meet the workforce requirements of the *National Quality Standard*.

8. Would you like to make any additional comments on the SOL?

As at the date of submission, we understand that the 2013 National ECEC Workforce Census is currently being considered by the Government and is due to be published in early 2014. This report will provide the most up-to-date data on how the sector is meeting the qualification requirements under the *National Quality Framework*.

9. Please provide the name, position and contact details of a person within your organisation who is willing to be contacted if any further information or follow-up is required.

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Position: Project and Policy Manager

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All information, **including name and address details**, contained in submissions will be made available to the public on the AWPAs website unless you indicate that you would like all or part of your submission to remain in confidence. Automatically generated confidentiality statements in emails do not suffice for this purpose. Respondents who would like part of their submission to remain in confidence should provide this information **marked** as such in a separate attachment. Legal requirements, such as those imposed by the *Freedom of Information Act 1982*, may affect the confidentiality of your submission.

References

Productivity Commission (2011). *Early Childhood Development Workforce Research Report*. Productivity Commission: Melbourne.

DEEWR (Department of Education, Employment and Workplace Relations) (2011). *DEEWR National ECEC Workforce Census 2010*. Canberra: DEEWR.

ACCS (Australian Community Children's Services) (2013). *ACCS Trends in Community Children's Services Survey Second Wave National Report 2013*. Sydney: ACCS.

COAG (Council of Australian Governments) (2009). *Regulation Impact Statement for Early Childhood Education and Care Reforms: Decision RIS*. Canberra: COAG.

DEEWR (Department of Education, Employment and Workplace Relations) (2013). *Child Care in Australia*. Canberra: DEEWR.

ECA (Early Childhood Australia) (2013) *Evidence Brief on Staff to Child Ratios and Educator Qualification Requirements of the National Quality Framework*. Canberra: ECA.

