# Early Childhood and Youth

# **Group Summary**

1 Group Summary

SB24-000014

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### Response/Facts

### SB23-000560 - Child Care Affordability

The total estimated expenditure on CCS (including Additional Child Care Subsidy) for the September quarter 2023 was \$3.56 billion. \$13.2 billion is expected to be spent on CCS in the 2023–24 financial year (expense as at December 2023–24 MYEFO).

#### Impact of CCS changes on the Consumer Price Index (CPI)

The child care CPI <u>increased</u> by **3.2%** in the December quarter 2023. Over the year to December quarter 2023, child care CPI <u>decreased</u> by **7.2%**.

- All groups Consumer Price Index (CPI) increased by 0.6 per cent in the December quarter 2023. Over the year to the December quarter 2023, all groups CPI increased by 4.1 per cent.
- All groups Consumer Price Index (CPI) increased by 0.6 per cent in the December quarter 2023. Over the year to the December quarter 2023, all groups CPI increased by 4.1 per cent.

#### Out-of-Pocket Costs

- In the September guarter 2023 there were 839,140 children in Centre Based Day Care (CBDC).
- The average out-of-pocket child care cost for Australian families using approved care in September quarter 2023 was \$3.68 for all care types (excluding In Home Care) an improvement from \$4.22 in the June quarter 2023.
- In the September quarter 2023, the average hourly child care fee per child, for all service types (excluding In Home Care) was \$12.20 an annual increase of 8.8% and an increase since June quarter 2023 of 5.5%. The 10-year average fee growth is 5.0% per annum.

#### Role of the ACCC Inquiry

The ACCC has investigated the drivers of ECEC costs and the impact of these costs on child care provider viability, quality and profits. The final report (published on 29 January 2024) includes analysis of the impact of the CCS increases in July 2023 on out-of-pocket fees. The ACCC's recommendations and findings will be considered in the context of the PC's comprehensive inquiry into Australia's ECEC system.

#### SB23-000561 - Child Safety

The National Quality Framework (NQF) provides a comprehensive national regulatory system to ensure the safety, health and wellbeing of all children attending an approved ECEC service. The NQF is designed to support ECEC services in meeting their obligations to provide a child safe environment and minimise the risk of harm and hazard to children.

The Government implements the Principles for Child Safe Organisations through the Commonwealth Child Safe Framework. States and territories are responsible for ECEC delivery in their jurisdictions as well as establishing regulatory authorities that ensure NQF compliance.

### Review of Child Safety Arrangements Under the NQF

- The Hon Jason Clare MP, Minister for Education, and the Hon Dr Anne Aly MP, Minister for Early Childhood Education, commissioned the Australian Children's Education and Care Quality Authority (ACECQA) to undertake a Review of Child Safety Arrangements under the NQF (the Review).
- The Final Report Findings and recommendations for the NQF and inter-related child safety mechanisms (the Report) was <u>published on ACECQA's website</u> on 21 December 2023. The Report makes 16 recommendations about physical and online safety, child supervision, and staffing requirements.
- The Review found:
  - The NQF is an internationally recognised framework that provides a robust regulatory scheme for ensuring the safety, health and wellbeing of children.
  - Australia has a very good system of ECEC and more can be done to ensure the NQF remains contemporary and fit-for-purpose in the context of child safety.
- It is critical we continue to partner with state and territory governments, all non-government stakeholders, and the broader community to educate, prevent, respond and disrupt those who seek to harm children.
- On 23 February 2024, EMM will consider advice on implementation of recommendations in the Review.

#### SB23-000562 - Early Childhood Education and Care Workforce, Pay and Conditions

The ECEC sector faces challenges in attracting and retaining the qualified workforce it requires.

- As of November 2023, there were 240,400 educators, early childhood teachers (ECTs) or centre
  managers employed in the workforce, an increase of 13,700 (6.0%) from November 2022.
- In May 2023, the Jobs and Skills Australia (JSA) projected the ECEC workforce would grow by **16,100 (6.7%)** between May 2023 and May 2028, and by **40,200 (16.7%)** between May 2023 and May 2033 based on projections produced by Victoria University for Jobs and Skills Australia.
- There is increasing demand for qualified ECTs and educators. In December 2023, there were 7,720 ECEC job vacancies (three-month moving average). The yearly comparison indicates a 9.04% increase from December 2022.

### Government Initiatives

- The PC interim report and the ACCC inquiry report both note addressing workforce issues will be fundamental to enabling future reforms. The PC recommends governments prioritise the workforce attraction, retention and recognition challenges facing the sector.
- To attract and retain a quality workforce, the Government is working in partnership with stakeholders to implement the National Children's Education and Care Workforce Strategy to support recruitment and retention of the ECEC workforce.
- In the 2023–24 Budget, the Government announced \$72.4 million (from 2023–24 to 2026–27) for 3 grants programs to support the skills and training of the ECEC workforce: the professional development subsidy; the paid practicum subsidy; and the practicum exchange program.

#### Supported Bargaining

- The ECEC supported bargaining case was authorised by the Fair Work Commission (FWC) on 27 September 2023.
  - The bargaining parties are the United Workers Union, the Australian Education Union and the Independent Education Unions. Employer Groups are G8, the Australian Childcare Alliance, Community Early Learning Australia and Community Child Care Association.
  - o The application represents around **540** of approximately **14,000** services operating in the sector.
- Following direction by the FWC, and at request of parties, the Commonwealth attended supported bargaining conferences on 10 November and 19 December 2023. The Commonwealth anticipates that the next conference it is invited to attend will likely be in February 2024.

#### Recent Wage Increases and Award Reviews

Each financial year the FWC reviews and sets minimum wages. The Annual Wage Review for 2022–23 delivered a 5.75% increase to these awards from 1 July 2023. This decision covered around 62% of the ECEC workforce. Additionally, on 1 January 2022, the FWC increased wages under a new classification structure in the Teachers Award, by between 3% and 13% depending on classification level and work setting of the early childhood teacher.

#### **Pipeline**

- In 2022<sup>1</sup> there were approximately 35,600 training completions for Certificate III and Diploma courses in early childhood, including:
  - o 17,610 Certificate IIIs in Early Childhood and Care
  - o 17,995 Diplomas of Early Childhood and Care.
- As at 30 June 2023, 20,490 trainees were in-training in an apprenticeship pathway to gain an ECEC qualification.
  - o 14,425 Certificate IIIs in Early Childhood and Care
  - 6,065 Diplomas of Early Childhood and Care.
- In 2022, there were **2,252** training completions for Initial Teacher Education courses:
  - providing 20,000 (1,469 for ECTs) university places to provide more opportunities for underrepresented groups to enter higher education in 2023 and 2024
  - supporting talented students to enter the teaching profession with 5,000 scholarships for new teaching students studying from 2024.
- From 1 July 2022 to 31 March 2023, 1,938 skilled visas were granted to primary applicants with occupations in the ECEC sector.

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<sup>&</sup>lt;sup>1</sup> Next data due August 2024 (JSA).

#### SB23-000564 - Inclusion Support Program

- The Inclusion Support Program (ISP) is a \$133 million a year program to build capacity and capability of approved ECEC services to support the inclusion of children with additional needs, particularly those with a disability.
- The PC ECEC Inquiry draft report and the 2023 ISP Review found continued inclusion gaps across ECEC.
- The ISP Review noted while the objectives of ISP are broadly aligned with the Government focus on inclusion, it is not currently optimised to develop workforce capability to support inclusion.
- Demand on the program has been growing and \$73.8 million in additional ISP funding was received through MYEFO 2023–24.

### Changes Implemented - January 2024

- On 11 January 2024, changes to the application of the ISP guidelines came into effect.
- Changes include any ISP Inclusion Development Fund (IDF) Additional Educator application submitted on or after 11 January 2024 will only be approved up until 30 June 2024. If eligible ECEC services require IDF Additional Educator subsidy beyond that date, they will need to reapply for support.
- Funding for projects under the ISP's Collaborative and Strategic Projects and Innovative Solutions support that are greater than \$10,000 or go beyond 30 June 2024 are unlikely to be approved (except in exceptional cases).

#### ISP Future

• The future direction of the ISP is currently being considered to ensure it is sustainable and can deliver against its objectives in line with findings from the ISP review and the PC Inquiry.

Contracts for Inclusion Agencies and the Inclusion Development Fund Manager expire on 30 September 2025 (end of service 30 June 2025, then delivery of final reports and financial acquittals by September 2025).

#### SB23-000559 - Regional Access

Approximately **25% (3,661)** of approved Early Childhood Education and Care (ECEC) services (not including In Home Care) are located outside major cities. As at 31 December 2023, 491 families were on the IHC waitlist:

- 60 per cent of waitlisted families were waiting for an educator to be employed, and
- of the total families on the waitlist, 20 per cent were geographically isolated.

### Key Programs and Initiatives

- The Community Child Care Fund (CCCF) supports around 900 services to reduce barriers to access, particularly for children and families in rural and remote communities experiencing disadvantage, First Nations communities, and where services are in limited supply.
- The CCCF will deliver approximately **\$611.3 million** over 4 years (2023–24 to 2026–27), with over 60% of allocated funding over 2 years (2023–24 to 2024–25).
- The CCCF Round 4 competitive grant opportunity opened for applications on 12 February 2024, providing funding of \$84 million over two years from July 2024 to support ECEC services, particularly those in currently under-served or unserved regional, rural and remote areas. Applications are open for four weeks, and will close on 8 March 2024.
- Since 4 April 2023, the Government has announced 8 new CCCF Restricted Expansion grants to First
  Nations led organisations and grant negotiations are underway with organisations in another 4 sites. The
  \$29.9 million allocated to this Closing the Gap measure over 4 years from 2021–22 supports organisations
  to establish new services in remote and very remote areas where there is little or no ECEC service
  available
- The Government has lifted the maximum CCS percentage to 90% for families earning under \$80,000 and has <u>increased</u> subsidy rates for families earning less than \$530,000.
- The changes have benefited around 1.2 million families, including 265,000 families in regional and remote Australia, with no families worse off.
- The CCS changes commenced being paid to families from the first CCS fortnight in 2023–24 (10 July 2023).
- The In Home Care and Connected Beginnings programs also support ECEC access for geographically isolated households and First Nations children.

#### Workforce

- The ECEC sector faces challenges in attracting and retaining the qualified workforce it requires.
- Workforce shortages are most acute outside of major metropolitan regions. The percentage of services
  holding a temporary waiver for one or more of the staffing requirements under the National Quality
  Framework in outer regional, remote and very remote areas, is 4.42% higher than the National average.<sup>2</sup>
- Most staffing waivers relate to temporary difficulties experienced by long day care services in meeting the
  early childhood teacher requirements stipulated under the Education and Care Services National
  Regulations, with very few relating to the educator-to-child ratio requirements.

#### **Productivity Commission Inquiry into ECEC**

• The Productivity Commission (PC) has been asked by the Government to consider the impact on access to quality ECEC, including by remoteness and whether different settings are required based on the location of services or family circumstances. The PC's draft report included a finding that ECEC availability tends to be poorer in regional and remote areas, and a recommendation that additional funding be provided to support universal access in persistently thin markets.

### Australian Competition and Consumer Commission Inquiry

- The Government commissioned the Australian Competition and Consumer Commission (ACCC) to conduct an inquiry into child care services. The ACCC's final report was published on 29 January 2024. The final report outlines 8 recommendations and 31 findings. Key findings include:
  - A 'one size fits all' approach to regulation is unlikely to meet government and community expectations for all markets.
  - Overall, costs to supply services to different areas of remoteness do not differ greatly, except for the areas of most remoteness.
  - Staffing constraints are a barrier to more suppliers entering or expanding their operations in childcare markets. These are more pronounced in regional and remote locations.
  - o On average, margins for ECEC services are higher in Major Cities and more advantaged areas.

#### SB23-000566 - Youth

In the 2022–23 Budget, the Australian Government committed **\$10.5 million** over 4 years to establish a new Youth Engagement Model (the model) to formally engage young people in policy and program design. This funding includes:

- \$7.0 million to establish an Office for Youth (OfY) which includes a Youth Steering Committee, an Australian Government Interdepartmental Committee on Youth, and an Australian Government Intergovernmental Coordination Committee on Youth.
- \$0.5 million for the development of a Youth Engagement Strategy (delivered in the first half of 2024).
- \$1.5 million for the Australian Youth Affairs Coalition (AYAC) to support its critical role in youth advocacy, engagement, and research.
- \$1.5 million for 5 youth advisory groups to work directly with Australian Government agencies on policy and program development.

#### Youth Consultations and Issues of Importance Raised by Young People

The OfY is developing a youth engagement strategy to improve how government works with young people
and to ensure that young people from all backgrounds can be engaged on government decisions that shape
their lives. The OfY worked with young people and the sector to inform the strategy by conducting online
surveys, accepting responses to a discussion paper, and consultations with young people and the youth
sector.

## **Key Youth Statistics**

- Australia has over 3.9 million young people aged 12–24, representing 15.7% of the population.
- While general unemployment in December 2023 is at **3.9**% (seasonally adjusted), youth (15–24 years) unemployment <u>increased</u> to **9.5**% (seasonally adjusted).
- Youth (15–24 years) underemployment is at 15.8% in November 2023 (seasonally adjusted).

There are **331,048 young people** that identify as having a mental health condition. This represents **10.9%** of the youth population (15–24 years)<sup>3</sup>.

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<sup>&</sup>lt;sup>2</sup> NQF Snapshot Q3 2023 (acecqa.gov.au) - W4: Proportion of services with a waiver by remoteness classification and waiver category\*

<sup>&</sup>lt;sup>3</sup> ABS 2021 Census

2023 - 2024 Additional Estimates SB23-000560

Issue: Child Care Affordability

**Contact:** Kylie Crane

Ph: s 22

Deputy Secretary, Early Childhood and Youth Group

# **Key Points**

# Investment in the Child Care Subsidy (CCS)

- As part of the October 2022–23 Budget, the Australian Government invested \$4.6 billion to increase CCS rates for families earning less than \$530,000 – reducing out-of-pocket fees for around 96% of Australian families – over 1.2 million families.
- The total estimated expenditure on CCS (including Additional Child Care Subsidy) for the September quarter 2023 was **\$3.56 billion**.
- **\$13.2 billion** is expected to be spent on CCS in the 2023–24 financial year (expense as at December 2023–24 MYEFO).

# Impact of CCS changes on the Consumer Price Index (CPI)

- The child care CPI increased by 3.2 per cent in the December quarter 2023. Over the year to December quarter 2023 child care CPI decreased by 7.2 per cent.
  - All groups Consumer Price Index (CPI) increased by 0.6 per cent in the December quarter 2023. Over the year to the December quarter 2023, all groups CPI increased by 4.1 per cent.
- Out-of-pocket child care costs as measured by child care CPI are now
   10.4 per cent lower than in June quarter 2023, prior to the introduction of the Cheaper Child Care reforms.
- Child care CPI is based on out-of-pocket costs of child care borne by households. A reduction in the child care CPI indicates that out of pockets costs have been reduced.

## **Out-of-Pocket Costs**

- In the September quarter 2023 there were 839,140 children in Centre Based Day Care (CBDC).
  - For 243,710 (29.0%) children, parents' out-of-pocket costs were less than \$2 an hour per child (compared to 23.9% in the June quarter 2023).
  - For 621,000 (74.0%) children, parents' out-of-pocket costs were less than \$5 an hour per child (compared to 62.0% in the June quarter 2023).

- The average out-of-pocket child care cost for Australian families using approved care in September quarter 2023 was \$3.68 for all care types (excluding In Home Care) – an improvement from \$4.22 in the June quarter 2023.
  - The average out-of-pocket cost of CBDC was \$3.85 per hour, making it more affordable than the June guarter 2023 (\$4.36).
  - For Outside School Hours Care (OSHC), average out of pockets were \$2.98 per hour, also more affordable than the June quarter 2023 (\$3.65).

### Fees

- In the September quarter 2023, the average hourly child care fee per child, for all service types (excluding In Home Care) was \$12.20 an annual increase of 8.8% and an increase since June quarter 2023 of 5.5%. The 10-year average fee growth is 5.0% per annum.
  - The average hourly fee in CBDC was \$12.80 in September quarter 2023 – an annual increase of 9.1% and a quarterly increase of 6.0%. The 10-year average fee growth for CBDC is 5.3% per annum.
  - The average hourly fee in OSHC was \$8.60 in September quarter 2023 – an annual increase of 6.7% and a quarterly increase of 1.4%.

# Role of the ACCC Inquiry

- The Australian Competition and Consumer Commission (ACCC) has investigated the drivers of early childhood education and care (ECEC) costs and the impact of these costs on child care provider viability, quality and profits.
- The ACCC's final report was provided to Government on 31 December 2023 and published on 29 January 2024, presenting 8 final recommendations and 31 findings. The final report includes analysis of the impact of the CCS increases in July 2023 on out-of-pocket fees.
- The ACCC's recommendations and findings will be considered in the context of the Productivity Commission's (PC) comprehensive inquiry into Australia's ECEC system.
- In making recommendations, the PC has been asked to consider options that improve or support affordability of quality ECEC services that meet the needs of families and children.

### Media

### NIL

Date Last Cleared	07 February 2024

### BACKGROUND

## Changes to the Child Care Subsidy

- The Government delivers a range of supports for families to help them access the ECEC services they need.
- The primary support provided is through the CCS which helps families with the cost of ECEC.
- From July 2023:
  - CCS rates lifted from 85% to 90% for families earning \$80,000 or less.
  - Families earning over \$80,000 and under \$530,000 now receive a subsidy that tapers down from 90% by 1% for each \$5,000 earned. This rate reaches 0% for families earning \$530,000 or more.

### Fees and Charged Hours

 Average hourly fees are consistently highest in the ACT and lowest in Tasmania and the NT.

Table 1 – Average Hourly Fees – Centre Based Day Care

State / Territory	Sep qtr 2022	Jun qtr 2023	Sep qtr 2023
NSW	\$11.90	\$12.30	\$12.95
Vic.	\$12.00	\$12.30	\$13.00
Qld	\$11.15	\$11.50	\$12.35
SA	\$11.50	\$11.80	\$12.50
WA	\$12.00	\$12.30	\$13.05
Tas.	\$10.65	\$10.95	\$11.80
NT	\$10.60	\$11.00	\$11.65
ACT	\$13.05	\$13.50	\$14.25
Australia	\$11.75	\$12.10	\$12.80

Source: Department of Education administrative data

 During the September quarter 2023, the average charged hours per child per week in CBDC was 33.5. This is 3.3% higher than the 32.4 hours in September quarter 2022.

## **Hourly Rate Caps**

 The hourly rate caps are indexed in July each year by the annual change in the CPI from the most recent December quarter. The CPI in the December quarter 2022 was 7.8%, leading to the CBDC cap increasing by \$0.99 (see Table 2).

Table 2 – Hourly Rate Caps Over Time

Comica Time	CCS Year		
Service Type	2021-22 <sup>1</sup>	2022-23 <sup>2</sup>	2023-24 <sup>3</sup>
Centre Based Day Care	\$12.31	\$12.74	\$13.73
Family Day Care	\$11.40	\$11.80	\$12.72
Outside School Hours Care	\$10.77	\$11.15	\$12.02
In Home Care	\$33.47	\$34.64	\$37.34

 $<sup>^{\</sup>rm 1}$  Hourly fee caps for CCS year 2021-22 applied from 12 July 2021 until 10 July 2022.

- During the September quarter 2023, 77.1% of CBDC services, and 89.6% of OSHC services, were charging at or below the hourly rate cap. This compares with:
  - 79.3% for CBDC in September quarter 2022 (decrease of 2.1 percentage points)
  - 87.6% for OSHC in September quarter 2022 (increase of 2.0 percentage points).

## Fee Setting Practices

- Fee setting practices are commercial decisions for child care providers.
   Family Assistance Law does not permit regulation of fees, however, there are other policy levers available to Government to put downward pressure on fees, such as CCS hourly rate caps which encourage transparency and consumer choice.
- The Government is implementing several measures to increase transparency in the ECEC sector and the amount of information available to families.
  - From 1 July 2023, all large child care providers (operating 25+ services) are required to report financial information to the department. Information reported about revenue, profit and rental costs will be published online on www.startingblocks.gov.au (Starting Blocks) from early 2024 onwards.
  - The department is working with the Australian Children's Education and Care Quality Authority to make enhancements to Starting Blocks, enabling families to see how fees charged by services have changed over time.

<sup>&</sup>lt;sup>2</sup> Hourly fee caps for CCS year 2022-23 applied from 11 July 2022 until 9 July 2023.

<sup>&</sup>lt;sup>3</sup> Hourly fee caps for CCS year 2023-24 will apply from 10 July 2023 until 8 July 2024.

Issue: Child Safety
Contact: Kylie Crane
Ph: s 22

Deputy Secretary, Early Childhood and Youth

# **Key Points**

- The Australian Government takes the safety, health and wellbeing of every child seriously, and are committed to ensuring that all providers of early childhood education and care (ECEC) embed a child safe culture.
- The National Quality Framework (NQF) provides a comprehensive national regulatory system to ensure the safety, health and wellbeing of all children attending an approved ECEC service. The NQF is designed to support ECEC services in meeting their obligations to provide a child safe environment and minimise the risk of harm and hazard to children.
- Australia has both national child protection safeguards and safeguards within jurisdictions, including working with children checks, reportable conduct schemes (ACT, NSW, Vic., WA and Tas.), child protection training, teacher registration processes, mandatory reporting and reporting of risks and serious incidents to regulatory bodies.
- All ECEC providers are required under National Law and National Regulations to have a range of critical safety measures in place, including that children are adequately supervised at all times.
   Adequate supervision is a requirement under Element 2.2.1 of the National Quality Standards.
- The Government implements the Principles for Child Safe
   Organisations through the Commonwealth Child Safe Framework.
- States and territories are responsible for ECEC delivery in their jurisdictions as well as establishing regulatory authorities that ensure NQF compliance.
- There is ongoing collaboration between governments and respective agencies on specific operations and incidents, including Operation Tenterfield.
  - Questions related to Operation Tenterfield should be directed to the Australian Federal Police.
  - Questions related to national policies and strategies to prevent and respond to child sexual abuse, and principles for child safe organisations, including the Commonwealth Child Safe Framework, should be directed to the National Office for Child Safety.

# Review of Child Safety Arrangements Under the NQF

- The Australian Children's Education and Care Quality Authority (ACECQA) is an independent national authority that assists governments in administering the NQF.
- The Hon Jason Clare MP, Minister for Education, and the Hon Dr Anne Aly MP, Minister for Early Childhood Education, commissioned the ACECQA to undertake a Review of Child Safety Arrangements under the NQF (the Review).
- The Final Report Findings and recommendations for the NQF and inter-related child safety mechanisms (the Report) was <u>published on</u> <u>ACECQA's website</u> on 21 December 2023, alongside an <u>executive</u> <u>summary</u>. The Report makes 16 recommendations about:
  - physical and online safety
  - child supervision
  - staffing requirements.
- The Review found:
  - The NQF is an internationally recognised framework that provides a robust regulatory scheme for ensuring the safety, health and wellbeing of children.
  - Australia has a very good system of ECEC and more can be done to ensure the NQF remains contemporary and fit-forpurpose in the context of child safety.
- All governments acknowledge the overwhelming majority of approved providers and their staff are skilled and dedicated professionals who devote their careers to the children and young people in their care.
  - Education Ministers agreed to national messaging and communication about the Review (Attachment A).
- The Government recognises the protection of children is not something it can achieve alone (refer <u>Attachment B</u> for Child Protection portfolio responsibilities).
- It is critical we continue to partner with state and territory governments, all non-government stakeholders, and the broader community to educate, prevent, respond and disrupt those who seek to harm children.
- Refer <u>Attachment C</u> and key facts sheet for information on serious incidents and waivers.

# **Next Steps**

- On 11 December 2023, Education Ministers were briefed by the ACECQA CEO, Gabrielle Sinclair and considered the Report.
- Education Ministers requested consulted advice on implementation of Report recommendations be provided in early 2024.
- National consultation with peak sector organisations, SNAICC and Employee Representative Groups (18–19 January) informs that advice.

# Other Actions to Improve Child Safety

# 2019 NQF Review – Implementation (refer SB24-000144)

- The 2019 review of the NQF made recommendations in 21 areas to improve children's health, safety and wellbeing, service quality and regulatory burden.
- All Education Ministers agreed changes to legislation, regulations and guidance to implement the recommendations and ensure the NQF remained contemporary and robust.
- Key changes in areas such as transport and sleep requirements were fast-tracked to commence in early 2023 and other regulatory amendments, such as safe sleep requirements, commenced from 1 October 2023.

# Safety in Out of Scope Services Funded by Australian Government

 The Government has engaged ACECQA to build capability in the provision of quality and safe ECEC in Community Child Care Fund Restricted services and In Home Care services (refer SB24-000142).

# Recommendations from the Productivity Commission Inquiry into the ECEC Sector in Australia

- On 23 November 2023, the Productivity Commission (PC) released its draft report, which included 32 recommendations to achieve an affordable, accessible, high quality, universal early learning system.
- A recommendation relates to improving the transparency of the ECEC regulatory system, including publishing metrics on the number of assessments performed, average time between assessments, and other compliance and enforcement activities which may have a positive impact on child safety.
- The PC is continuing with consultation and will provide a final report to Government by 30 June 2024 (refer SB23-000136).

#### Media

- Recent media on child safety primarily relates to Operation
   Tenterfield and the 1 August 2023 announcement by AFP of the
   investigation and arrest of a Gold Coast man regarding child abuse in
   multiple child care centres spanning 15 years:
  - Man charged with rape and sexual assaults at childcare centres
     Australian Federal Police (afp.gov.au)
- Recent media on the release of the Report:
  - <u>Childcare workers could (be) banned from using personal</u> <u>phones at work after nationwide review into child safety - ABC</u> News
  - Smartphones could be banned at childcare after nationwide child safety review | 7 News Australia
  - <u>Photo restrictions for Australian childcare workers</u> <u>recommended by safety report | Childcare Australia | The</u> <u>Guardian</u>
  - <u>Report Examines Safety in Early Childhood Education Settings</u> | Mirage News

### Other documentation

- Attachment A Child Safety Review Nationally Agreed Messaging
- Attachment B Child protection AG portfolio responsibilities
- Attachment C Serious incidents and waivers

#### **BACKGROUND**

- The NQF includes the Education and Care Services National Law (National Law), National Regulations, and National Quality Standards for service policies, programs and practices, including children's health, wellbeing and safety.
- The NQF is governed multilaterally by education Ministers, who provide ongoing oversight and ultimate decision-making.
- In addition to administering the NQF, the ACECQA hosts and maintains the National Quality Agenda Information Technology System on behalf of jurisdictions, and provides support and resources to ECEC services.
- The 2019 NQF Review had a strong focus on increasing safeguards for children attending approved education and care services with additional requirements based on alignment with the National Principles for Child Safe Organisations, transporting children, multi-storey buildings regarding emergency evacuation during fire related events, and sleep and rest. These changes were based on evidence about the higher level of risk associated with these activities.
- The timing of the next NQF Review has not been determined. The Early Childhood Policy Group (ECPG) is undertaking targeted reviews rather than large-scale reviews, to enable the 2019 NQF Review changes to be implemented and their impact understood. This Review will complement the work underway through ECPG and is consistent with the NQF's commitment to continuous quality improvement and the protection of children's health, safety and wellbeing.
- The NQF introduced new quality standards in 2012 to improve education and care across the sector, mandating staff qualifications and ratios.
- There are currently over 17,300 services regulated under the NQF across Australia which include centre-based day care, family day care, outside school hours care and preschool.
- State and territory regulatory authorities have day-to-day contact with ECEC services for most issues like granting all approvals, assessing and rating services, ensuring compliance with the NQF.
- State-based regulatory authorities work with the ACECQA to promote continuous quality improvement and educate the sector and community about the NQF.
- Safeguards vary between jurisdictions and not all jurisdictions require mandatory child protection training.
  - NSW and SA mandatory child protection training.
  - ACT and Victoria encourage child protection training.
  - Qld progressing requirements.
  - o Tas., WA & NT nil requirements.
- From 1 October 2023, changes to the NQF to embed the Principles for Child Safe Organisations apply to all approved provider organisations and service operations. Approved providers must ensure:
  - volunteers and students are advised of the existence and application of the current child protection law in the relevant jurisdiction and understand any obligations held under that law

- all family day care coordinators have successfully completed child protection training (if any) required in their state or territory
- working with vulnerable people/ children check details are included on volunteer and student staff records
- services' child safe environment policies and procedures include matters relating to the promotion of a culture of child safety and wellbeing and the safe use of online environments
- services' complaint handling policies and procedures include the provision of a complaint handling system at the service that is child focused
- services' complaint handling policies also include matters relating to the management of a complaint that alleges a child is exhibiting harmful sexual behaviours.

## Child Safety Review

 The department engaged ACECQA to undertake the Review on 10 May 2023. The <u>Terms of Reference</u> were formally agreed by the Minister for Education and the Minister for Early Childhood Education on 25 May 2023.

Date Last Cleared	07 February 2024
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# **National Communication Materials**

# Child Safety Briefing

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# 1. Purpose of this document

This document is intended to support the delivery of nationally consistent messaging regarding the release of the Report on the Review of Child Safety Arrangements under the NQF.

## Sections for internal or government (not for publication) use are:

- **Talking Points**
- Q&As

## Sections for publication:

Key messages for publication

Responses to enquiries from media, the public etc to be consistent with nationally agreed messaging.



# 2. Talking points

# Introductory

- The health, safety, well-being and protection of children attending early childhood education and care services continues to be the highest priority for national, state and territory governments.
- All governments are committed to ensuring that all providers of early childhood education and care embed a child safe culture.
- The Australian Children's Education and Care Quality Authority (ACECQA) has released the *Report of the Review of Child Safety Arrangements under the National Quality Framework (NQF)* on the ACECQA website.
- All Governments note the findings of the Review of Child Safety arrangements under the NQF.
- All Government's remain dedicated to the wellbeing and safety of all children attending Early Childhood
   Education and Care (ECEC) services in Australia.
- The NQF is an internationally recognised framework that provides a robust regulatory scheme for ensuring the safety, health and wellbeing of children.
- Australia has a very good system of early childhood education and care and more can be done to ensure the NQF remains contemporary and fit-for-purpose in the context of child safety.
- All governments acknowledge that the overwhelming majority of approved providers and their staff are skilled and dedicated professionals who devote their careers to the children and young people in their care.

# Overview – purpose and benefits

- The Review confirms that the NQF is a robust regulatory scheme with a strong focus on continuous quality improvement to ensure children are safe, healthy and thriving in approved ECEC services.
- The Report includes 16 recommendations for additional safeguards under the NQF and state and territory schemes, some of which align with the national workforce strategy and broader national child safety reforms.
- These include recommendations related to physical and online safety, child supervision and staffing requirements to provide a robust child-safe environment.

## **Timeframes**

- Education Ministers have requested Senior Officials commence consultation with the sector on the Report's recommendations and report to the first Education Ministers meeting in 2024 with advice about the response to its recommendations.
- Governments will endeavour to move as quickly as possible to respond to the Report, as necessary.
   This could include a phased approach, following considered design work and consultation with stakeholders.

# Opportunities for consultation

- All governments are working closely together on matters of child safety and wellbeing, including the
  development of a response to the Review recommendations for the consideration of Ministers in
  early 2024.
- Consultation with the ECEC sector is necessary to inform planning and consideration of Review recommendations.



# 3. Questions and answers (if asked)

# What is the Commonwealth Government doing to improve child safety in early childhood education and care (ECEC) settings?

- The safety, health and wellbeing of all children who attend early childhood education and care services is paramount.
- Earlier this year, Minister Clare and Minister Aly commissioned the Australian Children's Education and Care
  Quality Authority (ACECQA) to undertake a Review of Child Safety arrangements under the National Quality
  Framework (NQF).
- ACECQA has released the final report of the Review of Child Safety arrangements under the NQF.

# What is the response of all government to the Review of Child Safety arrangements under the NQF?

- The Review was considered by all Education Ministers at their meeting on 11 December 2023.
- All governments will consider the detailed recommendations and, reflecting on the consultation with stakeholders, officials will develop implementation advice for Education Ministers to consider at their first meeting in 2024.
- The full response to the Review recommendations to be developed over the coming months will also consider existing child safety initiatives/schemes and the outcomes of other intersecting reforms at the Commonwealth and State and Territory level (examples include and can be tailored....such as the PC Inquiry on early childhood education and care settings, the ACCC Price Enquiry, the National Workforce Strategy, the NDIS Review, and the Disability Royal Commission).
- State and Territories are already actively engaged in the management of child safety in NQF approved services, including through regulatory activities and the implementation of Child Safe standards.

# When was the Report released?

ACECQA, an independent national quality authority, released the Report on their website on [xx month year]
 at [insert link].

# Why is the report being released so close to the end of the year?

- Education Ministers requested ACECQA provide a final Report on the Review by the end of 2023.
- Education Ministers considered the final Report at their 11 December meeting, and agreed that the report be released before the end of the year.



# What were the key findings of the Review?

- The Review confirms that the NQF is a robust regulatory scheme with a strong focus on continuous quality improvement to ensure children are safe, healthy and thriving in approved education and outside school hours care services.
- The NQF exists in the broad child protection landscape with state and territory schemes for working with children vulnerable people checks, teacher registration, mandatory reporting and reportable conduct schemes.
- The report includes 13 recommendations for additional safeguards under the NQF and state and territory schemes, which align with <u>national workforce strategy</u> reforms and broader child safety reforms which were discussed at the <u>Ministerial Forum for Child Safety</u> on 23 November.
- The Review has identified strengthening national approaches for child safe cultures, safer online
  environments, more effective information sharing systems, and building workforce knowledge and
  capabilities.

# The Review reports on an increased number incidents of harm to children, and what does the report recommend for fixing it?

- The Review identified, through consultation with NQF Regulatory Authorities, that reports have increased in some areas relating to peer-to-peer incidents, supervision and interaction with children.
- It identified a need to help the sector workforce to continually strengthen their understanding of supervision elements, reflect them in their child safe environment policy and know how to put them into practice, while needing to take account of rapidly evolving online environments.
- The report recommends contemporary high-quality resources, training and professional development for
  the sector workforce to improve positive behaviour guidance and interactions with children, along with
  supporting the sector to assist in identifying, reporting and responding to child maltreatment through
  effective trauma informed practice.



# What changes are being recommended by the Review?

- The Review makes a total of 16 recommendation to address emerging issues, and strengthen policies and practices covering:
  - o child safe governance, leadership and culture,
  - o prevention and early intervention,
  - o educator safeguards and teacher registration/accreditation,
  - o support for staff to respond to and manage risks, and
  - o strengthening relevant child safety arrangements within and across jurisdictions.
- The Review recommends the development of voluntary guidance about the use of mobile devices (such as phones and iPads) in services that could be introduced as a first step, while legislative and regulatory changes are consulted on and developed.
- To date, there has be no engagement with the sector, so it's important that the early childhood
  employees and employers and their representative bodies are properly consulted about any changes to
  their industry.

# Did governments agree to implement all of the recommendations?

- Governments are committed to working with stakeholders to address recommendations which further strengthen safeguards for children and young people, noting that close consultation with the sector is required before planning can occur.
- Education Ministers will consider advice on the approach, including relevant information about implementation in early 2024.

# How soon will changes take effect to incorporate improvements and strengthening to child safety arrangements? These are critical recommendations. Why can't they be implemented faster?

- The safety and protection of children attending ECEC services is the highest priority for all governments.
- There are currently robust measures in place regarding child protection and safety. The Review recommendations highlight where more can be done to ensure these measures remain contemporary and fit-for-purpose.
- Addressing the issues raised by the Review will require a collaborative approach between governments and
  close consultation with stakeholders, including providers and the ECEC workforce to make any reforms are
  effective in practice.
- More information on the approach, consultation and implementation, will be provided in early 2024. Careful sequencing of reforms is required to ensure important foundations are in place.
- Some recommendations would require changes to the National Law and subsequent National Regulations, as well as an update to Western Australian legislation. Legislative changes to the National Law and Regulations take time.



# Why was this Review commissioned?

- The Review was commissioned in recognition of the critical importance of child safety and the imperative to ensure the NQF system remains fit for purpose.
- At the request of the Federal Minister for Education and Minister for Early Childhood Education, the
  Department of Education engaged the Australian Children's Education and Care Quality Authority (ACECQA)
  to undertake a comprehensive review of the child safety provisions under the NQF and related jurisdictional
  arrangements.
- The Review commenced in May 2023.

# Does the NQF currently help to ensure the safety of children? Why does the NQF require additional safeguards?

- The NQF encompasses the *Education and Care Services National Law Act 2010* (National Law), National Regulations, National Approved Learning Frameworks and the National Quality Standard for service policies, programs and practices, including children's health and safety.
- The NQF is regularly reviewed and updated to ensure it remains fit-for-purpose within an everchanging landscape.
- Changes to the NQF introduced in 2023 embedded National Child Safe Principles (including new obligations
  on volunteers and students around child safety documentation and child protection training for Family Day
  Care coordinators) and strengthened safety and wellbeing requirements for children, including while being
  transported, sleeping and during emergency evacuations.
- The NQF is an internationally recognised framework for high quality and safe ECEC in Australia. The Review confirmed this and highlighting where more could be done to ensure it remains contemporary and fit-for-purpose in the context of child safety.

# What will be the impact on NQF-approved ECEC providers and educators?

- All governments acknowledge the value of ECEC providers, educators and supporting workforce and the
  professionalism and commitment that they bring to the sector; and understand that the sector has recently
  experienced a number of changes and reviews.
- In response to the Review, the ECEC sector will be consulted during the next phase of work, which is to develop a plan for implementation of recommendations.
- Close consultation will be required to understand any administrative and cost impacts of the
  recommendations, and to ensure that their implementation is achievable without imposing additional undue
  burden on a sector already under pressure.
- Any regulatory impact on services flowing from implementation of recommendations will be for the purpose
  of further strengthening safeguards for children and young people.



# What will the changes mean for each State or Territory?

• Implementation of some of the recommendations will require changes to the National Law and subsequent National Regulations, as well as an update to Western Australian legislation.

# How does this Review interact with the work of other mechanisms to protect children?

- Everyday under the NQF, State and Territory early childhood regulators are working to ensure the health, safety and wellbeing of children in early childhood services.
- Outside of the NQF there are numerous child protection mechanisms, both nationally and within
  jurisdictions. These include the requirements for Working With Children Checks, reportable conduct
  schemes, child protection training, teacher registration processes, mandatory reporting and reporting risks
  and serious incidents to regulatory authorities.
- ACECQA engaged with State and Territory Regulatory Authorities, the National Office for Child Safety (NOCS)
  within the Commonwealth Attorney-General's Department, the Department of Social Services and the
  eSafety Commissioner to understand the current environment.
- The Review includes findings that align with the outcomes of the Ministerial Forum on Child Safety,
   regarding the importance of national consistency to protect Australia's children.
- The finding also align with the National Strategy to Prevent and Respond to Child Sexual Abuse 2021-2030
  has a strong focus on tackling child sexual abuse before it happens and several measures focus on
  prevention and education efforts.

# What improvements to child safety arrangements have already been completed nationally?

• Changes to the NQF introduced in 2023 embedded National Child Safe Principles and strengthened safety and well-being requirements for children, including while being transported, sleeping and during emergency evacuations.

# What impact has Operation Tenterfield had on these recommendations?

- All governments are committed to protecting children from sexual abuse in all settings and ensuring criminal
  justice responses adequately reflect the profound harm caused to victims, survivors, and communities.
- The Review recommends conducting a supplementary child safety review to be informed by learnings from the Australian Federal Police's Operation Tenterfield.
- The Report provides evidence-based protective factors that are needed to address emerging risks to bolster
  and strengthen current safeguards to ensure a child safe culture for every child in every education and care
  service.



# Is the workforce being banned from having their personal phones at work with them?

- The Review identified the need for Approved Providers to be vigilant and have oversight and control of who
  has access to images or videos taken of children at their service, and recommends only service-issued or
  approved devices may be used in centre-based services.
  - Education Ministers will consider and decide on implementation of the report recommendations at their first meeting in 2024, which will include the use personal mobile devices while with children in ECEC services.

# Are children safe in the ECEC service they attend?

- Once of the key objectives of the NQF is the health, safety and wellbeing of children in ECEC services.
- The ECEC sector workforce is comprised of highly qualified and committed professionals who are committed to child safety.
- Changes introduce in 2023 strengthened child safety under the NQF by embedding National Child Safe
  Principles (including new obligations on volunteers and students around child safety documentation and
  child protection training for Family Day Care coordinators). Changes also strengthened safety and wellbeing
  requirements for children, including while being transported, sleeping and during emergency evacuations.
- State and Territories are actively engaged in the management of child safety in NQF approved services, including through regulatory activities and the implementation of Child Safe standards.

# Will there be a National Educator Register? Is a National Educator Register recommended?

- The Report does not contain a recommendation specifying a National Educator Register.
- Education Ministers have agreed that the implementation plan will prioritise the development of options for
  a national registration system for educators who are not teachers, in accordance with the National
  Children's Education and Care Workforce Strategy 'Shaping Our Future'.
- The National Workforce Strategy has an existing Action FA1-6 to develop options for a national registration system for educators who are not teachers to recognise their status as professionals.
- Governments will consider options to implement the NQF Review recommendation.



# 4. Key messages for publication

A Report on a Review into Child Safety Arrangements under the National Quality Framework is now available.

All governments are committed to the health, safety and wellbeing of children attending ECEC services in Australia.

All governments acknowledge the value of ECEC providers, educators and supporting workforce and the professionalism and commitment that they bring to the sector.

Commissioned by the Australian Government and undertaken by the Australian Children's Education and Care Authority (ACECQA), the independent review investigated:

- how well the National Quality Framework (NQF) operates
- how the NQF interacts with national and jurisdictional laws, regulations, policies and practices.

The Terms of Reference can be found here.

The Review confirmed the NQF remains robust and focused on continuous improvement, and makes 16 recommendations to further strengthen:

- child-safe governance, leadership and culture
- prevention and early intervention
- educator safeguards and teacher registration and accreditation
- support for staff to respond to and manage risks
- child safety arrangements across jurisdictions.

Education Ministers have requested Senior Officials commence consultation with the sector on the Review's recommendations and report to the first Education Ministers Meeting of 2024 with implementation advice.

The NQF is Australia's system for regulating the quality and safety of early childhood education and care. It provides a national approach to regulation, assessment and quality improvement. ACECQA is an independent national authority that helps administer the NQF.

This review builds on recent changes to the NQF that strengthened children's safety and wellbeing while being transported, sleeping and during emergency evacuations.

Read the Report on the Review of Child Safety Arrangements under the National Quality Framework

Find out more about the NQF

Find out more about quality and safety in [state/territory]



# 5. Proposed stakeholder groups and approach

### **FMM**

- Decision to release Report
- Communiqué key messages

#### Australian Government

- Minister Aly to release short statement following publication of the report on ACECQA website.
- DoE lead communication development in partnership with States and Territories and ACECQA.
- Manage enquiries about the commissioning of the Review, Terms of Reference and from other Commonwealth portfolio Ministers post release.
- Seek advice from ACECQA on NQF specific enquiries, as needed.
- Refer queries about recommendations about inter-related mechanisms (Recommendations 13 to 16) to the Commonwealth Attorney-General's Department.
- Brief Early Childhood Education and Care Reference Group, SNAICC and relevant unions prior to report release.
- Respond to enquiries with agreed national messaging.

## States/territories

- Ministers/Department to respond to queries directed to them post release.
- Refer queries about recommendations about inter-related mechanisms (Recommendations 13 to 16) to the Australian Government for the Commonwealth Attorney-General's Department.
- Brief state/territory stakeholders.
- Respond to enquiries with agreed national messaging.
- Respond to enquiries on what State and Territory governments are doing on to manage Child Safety, including as Regulatory Authorities, and with regard to Child Safe Standards.

### **ACECQA**

- ACECQA to publish the report on its website
- No proactive public media release/interviews
- Respond to enquiries about ACECQA's role in the Review, consultation or process of undertaking the review, referring to agreed national messaging.
- Specific queries on content in report about rationale, findings and approach draft for Australian Government to review, if not already agreed in national messaging. Australian Government to seek ECPG advice where relevant.
- Refer enquiries about implementation to Australian Government or use agreed national messaging.



# 6. Rollout timeline in the lead up to release of the report

Action	Led by	When (Indicative timing)
Develop Communication Material Independent advisory stance ACECQA	ACECQA	11 December 2023
Develop National Communication Materials	Department of Education (AG) and Queensland	12 December 2023
Provide ECPG with National Communication Materials	Department of Education (AG)	12/13 December 2023
Brief relevant AESOC senior officials and Education Ministers	ECPG - jurisdiction representatives	15 – 18 December 2023
Brief relevant jurisdiction departments (eg Attorney-General and Justice agencies)	ECPG - jurisdiction representatives	15 – 18 December 2023
Pre-brief ECECRG, employee representative agencies and SNAICC	Department of Education (AG) and ACECQA	20 December 2023
Pre-brief relevant agencies	ECPG - jurisdiction representatives	20 December 2023
Publish the report	ACECQA	21 December 2023

#### For Official Use Only

# **Attachment B: Child Protection portfolio responsibilities**

# Australian Government Portfolios with child protection responsibilities

#### National Office of Child Safety (NOCS)

Leads the development and implementation of national priorities to strengthen child safety and wellbeing including those recommended by the Royal Commission and under the National Strategy to Prevent and Respond to Child Sexual Abuse, the National Principles for Child Safe Organisations and the Commonwealth Child Safe Framework.

# Department of Social Services (DSS)

Provides targeted supports for children and families and manages Safe and Supported: the National Framework for Protecting Australia's Children 2021–2031 (Safe and Supported), Australia's framework to reduce child abuse and neglect

#### Australian Federal Police (AFP)

Works with state and territory law enforcement agencies to ensure children are safe. The AFP is involved in crime prevention and awareness raising initiatives, and is committed to reducing the incidence and impact of crimes against children and holding those responsible for such crimes accountable.

#### National safeguards for Early Childhood Education and Care (ECEC) settings

#### Department of Education

The Department of Education funds an independent national authority, ACECQA, to support state and territory regulatory authorities to administer the NQF and promote continuous improvement and national consistency in ECEC service quality.

#### Australian Children's Education and Care Quality Authority (ACECQA)

Responsible for supporting nationally consistent implementation of the NQF.

#### **National Quality Framework**

The National Quality Framework (NQF) is the overarching regulatory framework followed by all states and territories to manage quality and safety of care in ECEC settings.

#### Family Assistance Law

A New Tax System (Family Assistance) Act 1999 requires ECEC providers to comply with specific measures to ensure child safety such as staff retaining current Working with Children checks.

#### **Education and Care Services National Law**

Education and Care Services National Law Act 2010 (National Law), places the safety of children at ECEC services in Australia with the Regulatory Authority in each jurisdiction, including investigating very serious incidents like sexual abuse. Under the National Law and Regulations, approved ECEC providers must comply with staffing and reporting requirements relating to child safety.

#### State and Territory Government led safeguards

State and Territory government entities responsible for care and safety of children in their jurisdiction

#### State and Territory Regulatory Authorities responsible for regulating delivery of ECEC

Regulatory authorities administer the NQF in each state and territory, and are the first point of contact for ECEC providers. They can grant provider and service approvals, assess services against the National Quality Standard, facilitate continuous improvement, and ensure compliance with the NQF, including the ability to issue compliance notices.

#### State and Territory Police Services

Authority to investigate and manage child protection matters in their jurisdiction.

#### For Official Use Only

# Further information on key agencies

#### National Office for Child Safety

The National Office for Child Safety (NOCS) leads the development and implementation of national priorities to strengthen child safety and wellbeing including those recommended by the Royal Commission and under the National Strategy to Prevent and Respond to Child Sexual Abuse, the National Principles for Child Safe Organisations and the Commonwealth Child Safe Framework. NOCS is working with jurisdictions to develop options for national reform to enhance child safety and reduce regulatory barriers around working with children checks. Reform options will be developed as a joint responsibility between all governments.

#### **Department of Social Services**

The Department of Social Services is responsible for contributing to stronger and more resilient children and families by providing targeted supports. They have carriage of Australia's framework for ensuring children and young people grow up in safe and supported homes free from harm and neglect 'Safe and Supported: the National Framework for Protecting Australia's Children 2021-2031'.

#### Department of Education

The Department of Education funds an independent national authority, ACECQA, to support state and territory regulatory authorities to administer the NQF and promote continuous improvement and national consistency in ECEC service quality.

#### Family Assistance Law

A New Tax System (Family Assistance) Act 1999 requires ECEC providers to comply with specific measures to ensure child safety such as staff retaining current Working with Children checks.

#### **Education and Care Services National Law**

Education and Care Services National Law Act 2010 (National Law), places the safety of children at ECEC services in Australia with the Regulatory Authority in each jurisdiction, including investigating very serious incidents like sexual abuse. Under the National Law and Regulations, approved ECEC providers must comply with staffing and reporting requirements relating to child safety including:

- Requirement for each nominated supervisor and person in charge of the service to have completed the child protection training required in their jurisdiction, have the correct working with children checks and teacher registrations in place, as well as having policies and procedures in place to ensure the provision of a child safe environment.
- o requirement for providers to notify the relevant Regulatory Authority of any circumstances which pose a risk to the health, safety and wellbeing of children. This includes incidents or allegations of physical or sexual abuse of a child while a child is in care.

#### National Quality Framework

The National Quality Framework (NQF) is the overarching regulatory framework followed by all states and territories to manage quality and safety of care in ECEC settings. The NQF includes a range of child protection safeguards including requiring all ECEC services comply with relevant child protection legislation in their jurisdictions.

#### Australian Children's Education and Care Quality Authority

The Australian Children's Education and Care Quality Authority (ACECQA) has developed a register of prohibited persons and suspended educators that ECEC services review prior to hiring staff.

### **State and Territory Governments**

Legal responsibilities of each state and territory government for child protection and law enforcement. The Australian Federal Police works in partnership with state and territory police authorities to manage child protection matters.

# Serious Incidents - see Key Facts for further information.

- Under the NQF, a serious incident is defined as an event occurring at an ECEC service which causes:
  - o the death of a child: or
  - serious injury or trauma to a child for which the child requires urgent medical attention; or
  - o a child being missed or unaccounted for.
- In 2022–23, there were 139 serious incidents per 100 NQF approved services, up from 123.8 in 2021–22 (highest rate since 2016/17)<sup>1</sup>.
- Long day care services continue to report a higher rate of serious incidents than other service types (191 per 100 approved services), likely to coincide with longer periods of care and younger children in care.
- ACECQA has undertaken further analysis to improve sector understanding of the drivers of these increases and possible solutions with ongoing discussions occurring with stakeholders on the results.
- ACECQA have also released occasional papers about trends in serious incidents data and newsletter articles and information sheets to help providers and services prevent, manage and respond to serious incidents.

# <u>Staffing Waivers – see Key Facts for further information.</u>

- As at 1 January 2024, 9.5 per cent of all services had a staffing waiver (down from 10 per cent on 1 October 2023 - the highest since the introduction of the NQF). Waivers are issued only when the regulator is certain genuine steps were taken to avoid the need for a waiver and there is no risk to children's safety, health and wellbeing and are adequately supervised at all times.
- Most staffing waivers relate to temporary difficulties experienced by long day care service providers in meeting the early childhood teacher requirements stipulated under the Education and Care Services National Regulations, with very few relating to the educatorto-child ratio requirements stipulated under the Regulations.

<sup>&</sup>lt;sup>1</sup> NQF Annual Performance Report 2023

Requirements that may be covered by a service waiver		
Regulation	Requirement	
72A	Location of principal office of family day care service	
Physical en	vironment	
104	Fencing	
107	Indoor space (Centre-based only)	
108	Outdoor space (Centre-based only)	
110	Ventilation and natural light	
117	Glass (Family Day Care only).	
Staffing		
120	Educators who are under 18 to be supervised (Centre-based only)	
123	Educator to child ratios—centre-based services (Centre-based only)	
124	Number of children who can be educated and cared for (Family Day Care only)	
126	General educator qualifications – centre-based services	
127	Family day care educator qualifications (Family Day Care only)	
128	Family day care co-ordinator qualifications (Family Day Care only)	
130	Requirement for early childhood teacher—centre-based services—fewer than 25 approved places (Centre-based only)	
131	Requirement for early childhood teacher—centre-based services— 25 or more approved places but fewer than 25 children	
132	Requirement for early childhood teacher—centre-based services— 25 to 59 children	
133	Requirement for early childhood teacher—centre-based services— 60 to 80 children	
134	Requirement for early childhood teacher—centre-based services—more than 80 children (Centre-based only)	
Division 2 of Part 4.3	(Centre-based only)	

	<ul> <li>113 Outdoor space—natural environment</li> <li>114 Outdoor space—shade</li> <li>115 Premises designed to facilitate supervision</li> </ul>	
Ch.7	Any jurisdiction-specific, transitional or saving provisions that apply in place of the regulations outlined above.	

2023 - 2024 Additional Estimates SB23-000562

Issue: Early Childhood Education and Care Workforce, Pay and

**Conditions** 

Contact: Ms Kylie Crane

Ph: \$ 22

Deputy Secretary, Early Childhood and Youth Group

# **Key Points**

 The Early Childhood Education and Care (ECEC) sector faces challenges in attracting and retaining the qualified workforce it requires.

- The Productivity Commission (PC) interim report and the Australian Competition and Consumer Commission (ACCC) inquiry report both note addressing workforce issues will be fundamental to enabling future reforms.
- The PC recommends governments prioritise the workforce attraction, retention and recognition challenges facing the sector.
- As of November 2023, there were 240,400 educators, early childhood teachers (ECTs) or centre managers employed in the workforce, an increase of 13,700 (6.0%) from November 2022.
- In May 2023, the Jobs and Skills Australia (JSA) projected the ECEC workforce would grow by 16,100 (6.7%) between May 2023 and May 2028, and by 40,200 (16.7%) between May 2023 and May 2033 based on projections produced by Victoria University for Jobs and Skills Australia.
- There is increasing demand for qualified ECTs and educators. In December 2023, there were 7,720 ECEC job vacancies (three-month moving average). The yearly comparison indicates a 9.04% increase from December 2022.
  - This includes 4,786 job advertisements for early childhood educators, 2,570 job advertisements for ECTs, and 363 job advertisements for centre managers.
  - As at 1 January 2024, 9.5% of services had a staffing waiver, generally for not having access to a qualified ECT¹.
  - JSA and HumanAbility are currently undertaking a capacity study on the ECEC workforce needs to support workforce planning.
    - Stakeholder engagement has commenced.

<sup>&</sup>lt;sup>1</sup> Australian Children's Education and Care Quality Authority NQF Snapshot Report Q4, 2023

 The interim report will be provided to the Australian Government in February 2024. The final report will be provided in May 2024.

### Government Initiatives

- To attract and retain a quality workforce, the Government is working in partnership with stakeholders to implement the National Children's Education and Care Workforce Strategy (the Strategy) to support recruitment and retention of the ECEC workforce.
  - On 31 August 2022, National Cabinet agreed to a priority focus on issues relating to workforce shortages, including accelerating 17 of the 21 key actions under the Strategy.
  - A summary of complementary initiatives released with the Strategy identifies over 70 recent workforce commitments and initiatives from all governments and the sector.
  - On 20 July 2023, the Australian Education and Care Quality Authority published an online reporting dashboard monitoring the implementation of the actions under the Strategy. All actions are on track, with 13 due for completion by the end of 2024.
- In the 2023–24 Budget, the Government announced \$72.4 million (from 2023–24 to 2026–27) for 3 grants programs to support the skills and training of the ECEC workforce: the professional development subsidy; the paid practicum subsidy; and the practicum exchange program.
  - The professional development and paid practicum subsidies commenced on 3 July 2023. The practicum exchange will commence in early 2024.
  - As of 31 December 2023, 25,000 professional development and paid practicum subsidies have been paid at a cost of \$13.12 million. In 2023–24, these programs prioritise support for First Nations educators, and educators in regional and remote areas.
  - A review of eligibility requirements is underway to ensure the subsidies are well targeted and further promote the Paid Practicum stream for the remainder of the financial year.

# Supported Bargaining

- The ECEC supported bargaining case was authorised by the Fair Work Commission (FWC) on 27 September 2023.
  - The bargaining parties are the United Workers Union, the Australian Education Union and the Independent Education Unions. Employer Groups are G8, the Australian Childcare Alliance, Community Early Learning Australia and Community Child Care Association.
  - The application represents around 540 of approximately 14,000 services operating in the sector.
- Following direction by the FWC, and at request of parties, the Commonwealth attended supported bargaining conferences on 10 November and 19 December 2023. The Commonwealth anticipates that the next conference it is invited to attend will likely be in February 2024.

# Recent Wage Increases and Award Reviews

- Each financial year the FWC reviews and sets minimum wages.
   Most workers in the ECEC sector are covered by 2 Modern Awards which establish the minimum wages and conditions for:
  - Child educators covered by the Children's Services Award (2010)<sub>2</sub>
  - Early Childhood (pre-primary teachers) covered by the Educational Services (Teachers) Award (2020)<sub>3</sub>.
- The Annual Wage Review for 2022–23 delivered a 5.75% increase to these awards from 1 July 2023.<sup>4</sup> This decision covered around 62% of the ECEC workforce.
- Additionally, on 1 January 2022, the FWC increased wages under a new classification structure in the Teachers Award, by between 3% and 13% depending on classification level and work setting of the early childhood teacher.
- The FWC is currently undertaking a targeted Modern Awards Review 2023–24 which includes the Children's Services Award 2010. The review will focus on a number of priority topics including ease of use, and whether such awards support the objective of promoting job security.

<sup>&</sup>lt;sup>2</sup> https://library.fairwork.gov.au/award/?krn=MA000120

<sup>&</sup>lt;sup>3</sup> https://awardviewer.fwo.gov.au/award/show/MA000077

<sup>&</sup>lt;sup>4</sup> FWC Annual Wage Review 2022-23.

# **Pipeline**

## **VET**

- In 2022<sup>5</sup>, there were approximately 35,600 training completions for Certificate III and Diploma courses in early childhood, including:
  - o 17,610 Certificate IIIs in Early Childhood and Care
  - o 17,995 Diplomas of Early Childhood and Care.
- The Australian Apprenticeships Incentive Scheme commenced on 1
  July 2022 and provides wage subsidies for employers and incentives
  for apprentices (trainees) to study priority occupations.
  - As at 30 June 2023, 20,490 trainees were in-training in an apprenticeship pathway to gain an ECEC qualification.<sup>6</sup>
    - 14,425 Certificate IIIs in Early Childhood and Care
    - 6,065 Diplomas of Early Childhood and Care.
- 180,000 Fee-Free TAFE places through the 12-month Skills
   Agreement (in partnership with states and territories) it is estimated
   as many as 16,400 places would be taken up by students in Early
   Childhood and Education courses throughout 2023.
  - Between January and September 2023, data reported by states and territories shows over 14,300 enrolments in Early Childhood and Education courses.

## Tertiary Education

- In 2022, there were 2,252 training completions for Initial Teacher Education courses.
- Providing 20,000 (1,469 for ECTs) university places to provide more opportunities for under-represented groups to enter higher education in 2023 and 2024.
- Supporting talented students to enter the teaching profession with 5,000 scholarships for new teaching students studying from 2024.

## Migration

- The Government has set the permanent migration program for 2023–24 to 190,000, to help ease critical workforce shortages where the skilling of Australians cannot yet keep pace with industry demand.
  - From 1 July 2022 to 31 March 2023, 1,938 skilled visas granted to primary applicants with occupations in the ECEC sector.

<sup>&</sup>lt;sup>5</sup> Next data due August 2024.

<sup>&</sup>lt;sup>6</sup> NCVER 2024, Australian vocational education and training statistics: apprentices and trainees 2023 - June quarter, NCVER, Adelaide.

# Retention and Support

# Child Care Discount

 The child care discount for early childhood workforce measure, introduced from 24 January 2022, allows child care providers to discount the gap fee their employee pays when the employee's child is enrolled at a service where they work or that their employer owns.

# **HELP Program**

• The Very Remote Teachers Initiative is reducing Higher Education Loan Program (HELP) debts for teachers in the very remote areas program, where teachers, including ECTs, who have completed 4 years working in very remote Australia may apply to receive a cut to HELP debts. The average debt reduction will be around \$35,000 per teacher and the initiative is expected to support 2,000 teachers in 2023 and 500 teachers each year thereafter.

## Mental Health

- Be You is a mental health and wellbeing program for educators in schools and ECEC sectors. It provides resources, guidance and advice related to supporting wellbeing of educators and children.
  - The Be You program is funded by the Health portfolio and funding has been extended until 2027.

# Stakeholder Response

Stakeholder	Response summary
Women's Economic Equality Taskforce (WEET)	<ul> <li>The WEET wrote to Senator the Hon Katy Gallagher, Minister for Women, on 24 March 2023, providing advice ahead of the 2023–24 Budget.</li> <li>One of 6 recommendations involved investing in an interim pay rise for all early childhood educators, in recognition of the historical undervaluation of their work and the need to retain and attract workers to the sector.</li> </ul>
Employer Organisations	<ul> <li>Peak representative bodies and certain large providers are calling on Government to fund a wage increase for the ECEC sector. This includes Business Council of Australia, Australian Childcare Alliance, Early Learning and Care Council Australia, Early Childhood Australia, Thrive by Five, Early Learning Association Australia, Goodstart Early Learning, and G8 Education.</li> <li>Many representative bodies have likened the ECEC workforce to the Aged Care workforce, which is receiving a government funded wage increase of 15%, because of similarities as undervalued and female-dominated professions.</li> <li>Many representative bodies and large providers have welcomed the Government's workplace relations reforms, including the introduction of the supported bargaining stream, but have expressed the need for a Government funding commitment to ensure wage increase costs don't get passed onto families.</li> </ul>
Unions	The United Workers Union's <i>Big Steps Campaign</i> calls for a new ECEC standard, including the uptake and updating of enterprise agreements to secure a Government funded 25% wage increase to the awards, and improved conditions.
Opposition	<ul> <li>Ms Angie Bell MP, Shadow Minister for Early Childhood Education, criticised the Government during the Cheaper Child Care legislation passage for a perceived lack of action on ECEC workforce issues.</li> </ul>
Greens	<ul> <li>The Greens have expressed that the ECEC sector should be highly valued and paid as professionals and support for an interim wage supplement for ECEC workers.</li> <li>Senator Mehreen Faruqi has called on the Government to step up and fund an interim wage supplement, and ensure better working conditions across the sector to address the crisis in ECEC, amid findings that children's wellbeing and safety are at risk with severe staff shortages.</li> </ul>
Independents	Independents, such as Senator David Pocock and Ms Kylea Tink MP, have expressed views that the ECEC workforce must be recognised and valued through improved pay and conditions.
	<ul> <li>During the Cheaper Child Care legislation passage, Independent Dai Le expressed views that the Government must come up with practical solutions to address the workforce shortage. Noting that the legislation did not guarantee families increased workforce participation.</li> </ul>

2023 - 2024 Additional Estimates SB23-000562

# Media

- Coverage on ECEC continues to be strong, with a focus on quality and safety concerns and the potential connection to workforce issues including staff shortages, staff burnout, retention issues and service closures.
- Following release of the ACCC and PC interim reports coverage also focuses on the issue of affordability of child care in Australia, including limited savings from the Cheaper Child Care reforms, provider profit margins and operating costs, and accessibility.
- The United Workers Union continues calls for a 25% wage increase for ECEC educators and teachers in the context of addressing quality and safety issues.
- From December 2023, coverage commenced on potential impacts to the OSHC sector should it miss out on funding for a workforce pay rise.

# **Attachments**

<u>Attachment A</u> – Detailed workforce data and information on the uptake of skills programs

Date Last Cleared	12 February 2024

#### EARLY CHILDHOOD AND CHILD CARE WORKFORCE- as at 8 February 2024

#### **Total Employment**

2017-2023 The figure is based on ABS Labour Force Survey data that is trended by Jobs and Skills Australia (JSA).

	February	May	August	November
2023	230,000	233,400	236,900	240,400
2022	217,800	220,500	223,500	226,700
2021	209,500	211,200	213,100	215,300
2020	205,500	206,200	207,100	208,200
2019	203,900	204,200	204,600	205,000
2018	202,000	202,600	203,100	203,500
2017	198,000	199,300	200,400	201,300

Source: November 2023, Detailed Labour Force Survey (Table EQ08), ABS, Data trended by Jobs and Skills Australia. Figures represent total persons employed under the ANZSCO unit level codes 4211 Child Carers, 2411 Early Childhood (Pre-Primary) Teachers and 1341 Child Care Centre Managers. JSA have approved use of these figures publicly.

#### Total Employment - selected 4-digit occupations

ANZSC O Code	ANZSCO Title	Nov- 2018	Nov- 2019	Nov- 2020	Nov- 2021	Nov- 2022	Nov- 2023
4211	Child Carers	143,700	141,500	140,700	143,600	150,300	158,900
2411	Early Child- hood (Pre- primary School) Teachers	44,200	47,400	50,800	54,500	58,200	61,900
1341	Centre Managers	15,600	16,100	16,600	17,200	18,300	19,500
JSA's trended total	*Child Care Occupations	203,500	205,000	208,200	215,300	226,700	240,400

Source: Labour Force, Australia, Detailed, Quarterly, trended by Jobs and Skills Australia, November 2023. \*Figures are rounded to the nearest 100. Calculations based on rounded figures may result in differences to the total number shown.

#### **Workforce by Service Type**

Service Type	Proportion of Workforce
entre Based Day Care	61.4%
amily Day Care	5.5%
Home Care	0.4%
utside School Hours Care	13.0%
acation Care	10.3%
edicated Preschool	9.4%

#### **Workforce Shortages**

Skills Priority List 2023 and Skilled Migration Occupation Lists (2021)

<b>ECEC Occupations in</b>	shortage, v	vith future de	emand by State / Territory	/
ANZSCO Occupation	National Shortage	Future Demand	State / Territory shortages	Skilled Migration Occupation Lists
421111 Child Care Worker	Yes	Strong	Shortages across all states/territories.	ROL-Regional Occupa- tion List (Group Leader only )
241111 Early Child- hood (Pre-primary School) Teacher	Yes	Strong	Shortages across all states/territories.	MLTSSL– Medium and Long-term Strategic Skills List
421112 Family Day Care Worker	No	Moderate	No shortages	N/A
421114 Out of School Hours Care Worker	Yes	Strong	Shortages across all states/territories.	N/A
134111 Child Care Centre Manager	No	Moderate	Shortage in WA only	MLTSSL— Medium and Long-term Strategic Skills List

Source: Jobs and Skills Australia , Skills Priority List, October 2023.

Note: Skilled Migration Occupation Lists were not updated in October 2023.

#### **Employment Projections**

	Victoria University Employment Projections							
Occupations	Employ- ment level May 2023	Projected Employ- ment level May 2028	Projected Employ- ment level May 2033	Projected Employment Growth five years to May 2028 (%)	Projected Employment Growth ten years to May 2033 (%)			
Educators	163,000	174,600	194,100	7.1%	19.0%			
Early Childhood Teachers	60,300	63,700	67,400	5.6%	11.7%			
Centre Directors	17,600	18,700	19,600	6.4%	11.8%			
Total	240,900	257,000	281,100	6.7%	16.7%			

Source: Projections produced by Victoria University for Jobs and Skills Australia.

Note: The employment projections are based on the macroeconomic and labour market outlook provided by the Commonwealth Treasury.

#### Vacancies

The Jobs and Skills Australia Internet Vacancy Index of major recruitment websites:

Dec 2022	Nov 2023	Dec 2023	Yearly change (Dec22-Dec23)	Monthly change (Nov23- Dec23)
4,277	5,225	4,786	11.90%	-8.40%
2,493	2,804	2,570	3.10%	-8.33%
309	379	363	17.44%	-4.05%
7,080	8,408	7,720	9.04%	-8.18%
	4,277 2,493 309 7,080	4,277 5,225 2,493 2,804 309 379 7,080 8,408	4,277 5,225 4,786 2,493 2,804 2,570 309 379 363 7,080 8,408 7,720	4,277     5,225     4,786     11.90%       2,493     2,804     2,570     3.10%       309     379     363     17.44%

#### Wages

Current Award Rates as at 1 July 2023							
Position	Level	Hourly Rate	Weekly Rate LDC (*)	Approx. Annual F/ T Salary (LDC)			
Educator (Certificate III)	3.1	\$26.18	\$995.00	\$51,919			
Educator (Diploma)	3.4	\$29.48	\$1120.40	\$58,462			
Early Childhood Teacher	1	\$35.41	\$1345.60 *	\$70,214			
Early Childhood Teacher	5	\$49.00	\$1861.90 *	\$97,154			

An educational leader's allowance of \$4,253.32 per annum will be paid to an employee who is required to discharge the responsibilities of the educational leader under Regulation 118 of the Education and Care Services National Regulations 2011. Commenced 1 January 2022 for educational leaders employed under the Educational Services [Teachers] Award (2020) and commences 1 November 2022 for educational leaders employed under the Children's Services Award (2010).

\*Under the Educational Services (Teacher) Award (2020), long day care Early Childhood Teachers are paid a 4 per cent loading above the award rate for preschool and school teachers (reflected in the table).

Source: Fair Work Commission, Children's Services Award (2010) and Education Services (Teachers) Award (2020).

#### Actual Farnings (including salary increases 2016-2023)

(	Occupation	May 2016 avg sala- ry	May 2018 avg salary	May 2021 avg salary	May 2023 avg sal- ary	% and \$ change (2016 – 2023)	% and \$ change (2021 – 2023)
(	Child carers	\$33,768	\$34,607	\$40,562	\$39,842	18.0% \$6,075	-1.8% -\$720
(	Early childhood (pre-primary school) teachers	\$45,990	\$61,967	\$64,809	\$58,004	26.1% \$12,014	-10.5% -\$6,805
	Child care cen- tre managers	\$67,364	\$67,791	\$69,241	\$73,688	9.4% \$6,325	6.4% \$4,448

Source: Drawing from data sourced from the Australian Bureau of Statistics, Employee Earnings and Hours, Australia, May 2023. Data cube 11. All employees, Average weekly total cash earnings, average age - sex: by detailed occupation (ANZSCO 4 digit).

#### **Workforce Demographics**

National ECEC Workforce Census 2021 Key Findings:

- 92.1% female workforce (96% in Centre Based Day Care) (up from 91.1% in 2016).
- The median age of staff was 36 years for females and 27 years for males.
- 2.9% of staff are Aboriginal or Torres Strait Islander workers (up from 2.0% in 2016).
- The average years of experience for paid contact staff with an ECEC qualification was 8.1 years (up from 7.4 years in 2016).
- The average years of job tenure for paid contact staff with an ECEC qualification was 4.0 years (up slightly from 3.6 years in 2016).

Source: 2021 National ECEC Workforce Census.

#### Visa Processing

Questions on Visa statistics eg number of Visas processed should be taken on notice and referred to Home Affairs for a cleared response.

#### EARLY CHILDHOOD AND CHILD CARE WORKFORCE

#### **Oualifications**

- In 2021, 84.8% of paid contact staff held a relevant qualification. This compares to 70% in 2010, 82% in 2013 and 85.2% in 2016.
- . 30.1% had a certificate III or IV
- 41.8% had an advanced Diploma or Diploma
- 11.9% had a bachelor degree and above in an ECEC related field

Source: Department of Education National Early Childhood Education and Care Workforce Census (2021).

#### Workforce Supply - from training

Certificate III in Early Childhood Education and Care:

Cert III	Enrolments	Commencements	Completions
2018	52,840	32,645	15,725
2019	55,005	38,055	15,695
2020	55,030	32,675	12,260
2021	64,415	37,250	15,730
2022	70,695	46,180	17,610

Source: NCVER 2023, Total VET students and courses 2022, NCVER, Adelaide, Data de-duplicated by Department of Employment and Workplace Relations Note: Completions data for 2022 are preliminary. They may be revised upwards in August 2024 to account for completions submitted after the reporting deadline.

#### Diploma of Early Childhood Education and Care:

Diploma	Enrolments	Commencements	Completions
2018	52,240	19,850	13,565
2019	48,750	26,005	12,610
2020	44,945	21,590	9,965
2021	49,905	21,935	13,860
2022	38,240	13,505	17,995

Source: NCVER 2023, Total VET students and courses 2022, NCVER, Adelaide, Data de-duplicated by Department of Employment and Workplace Relations Note: Completions data for 2022 are preliminary. They may be revised upwards in August 2024 to account for completions submitted after the reporting deadline.

#### Early childhood Initial Teacher Education courses

Year	Enrolments	Commencements	Completions
2018	12,975	3,556	2,283
2019	12,604	3,541	2,144
2020	12,999	4,288	2,051
2021	13,899	4,683	1,992
2022	13,994	4,473	2,252

Source: Department of Education Higher Education Statistics, Selected Higher Education Statistics – 2018-2022, Initial Teacher Education courses registered in early childhood education (excluding professional development and research qualifications).

#### **Skills and Training Initiatives**

#### Australian Apprenticeships Incentive System (Incentives System)

- The Incentives System, valued at \$2.3 billion over 4 years from 2022-23, is strengthening the apprenticeship system to target skill shortages, improve completions and ensure supports are accessible.
- Of Government support under the Incentives System came into effect from 1 July 2022 and is focused on priority occupations (including early childhood education and care), ensuring a combination of financial and non-financial support is targeted to the skills most in demand in the Australian economy.

Apprentices and Trainees in Training at 30 June 2023	Count
Certificate III in Early Childhood Education and Care	14,425
Diploma of Early Childhood Education and Care	6,065

Source: NCVER 2024, Australian vocational education and training statistics: apprentices and trainees 2023 — June quarter, NCVER, Adelaide

- Job-ready Graduates package: Since the JRG reforms were introduced in 2020, the cost of an early childhood teaching qualification has come down by 42 per cent. Enrolment data indicate a 18.7 per cent increase in early childhood teaching commencements in 2021 compared with 2020 (from 4029 commencements in 2020 to 4783 in 2021).
- The Commonwealth Scholarships Program for Young Australians provides scholarships of up to \$13,000 over a two year period, for young Australians in 10 nominated regions across Australia to undertake an eligible VET qualification and complete a paid internship, including in early childhood education and care. Of a total of 807 scholarships awarded over four rounds of the program, 91 (11 per cent) were to support qualifications in early childhood education and care.
- Through the 12-Month Skills Agreement and a Deed of Variation to the 12-Months Skills Agreement, the Commonwealth Government has partnered with states and territories to deliver over \$1.4 billion funding for 480,000 Fee-Free TAFE and vocational education places across Australia over 2023 to 2026.
- Based on data reported by States and Territories, over 14,300 enrolments in early childhood and care courses have been supported through Fee-Free TAFE in 2023 between January and September 2023 (Table 1).

Fee-Free TAFE Early Childhood and Education Courses	Enrolments
Certificate III in Early Childhood Education and Care	11,411
Diploma of Early Childhood Education and Care	2,656
Introduction to Early Childhood Education and Care Skill Set	150
Statement of Attainment—Develop Positive/Respectful Relationships	
with Children, Identify/Respond to Children/Young People at Risk and	
WHS	36
Statement of Attainment in Early Childhood Education and Care (Food	
Safety and WHS.	29
Statement of Attainment in Community Services (Work with diverse	
people, Use an approved learning framework to guide practice, Meet	
legal/ethical obligations in children's education and care and Identify/	
Respond to children and young people at risk)	18
Statement of Attainment—Health/Safety/Wellbeing of Children and	
Support Children's Play/Learning.	15
Statement of Attainment—Identify/Respond to Children/Young People	
at risk and WHS.	6
Statement of Attainment in Early Childhood Education and Care	
(Provide cardiopulmonary resuscitation, First Aid, Advanced First Aid	
and First Aid in an education and care setting)	21
Total	14,342

Source: Fee-Free TAFE Quarterly Reporting.

#### Skills and Training Initiatives (continued)

20,000 additional university places to provide more opportunities for under-represented groups to enter higher education across 2023 and 2024, with 1,469 in early childhood teaching.

NSW	VIC	QLD	SA	WA	TAS	NT	ACT	OTHER	Total
395	481	47	0	464	0	54	5	23	1,469

#### **ACECQA Staffing Waivers**

Staffing Waivers primarily relate to qualification level, for example, when a service needs to replace an early childhood teacher and needs time to recruit.

- As at 1 January 2024, 9.5 per cent of services had a staffing waiver:
  - ♦ Long Day Care (LDC) at 16.5 per cent
  - ♦ Family Day Care at 1.2 per cent
  - Preschool/Kindergarten at 2.4 per cent
  - ♦ Outside School Hours Care (OSHC) at 2.0 per cent
  - ♦ Centre-based services (LDC, preschool/kindergartens and OSHC) at 9.7% per cent

Source: ACECQA NQF Snapshot Report Q4 2023, W1 and W9 data tables.

#### Gap fee discount for ECEC workers

- Announced 17 December 2021
- Applicable from 24 January 2022
- Example
- Educator average family income is \$110,000 and her family's CCS rate is 71,67%
- ♦ Child attends 3 days at the same service.
- Daily fee of \$106.50 for a 10-hour session, weekly fee comes to \$319.50.
- ♦ After CCS is applied, the service chargers her a gap fee of \$90.51 per week.
- If the service offers a discount of \$20 per session of care, the remaining gap fee would be \$30.51 per week.

#### Be You - National Mental Health in Education Initiative

Through the **Be You** national mental health in education initiative, ECEC staff are being supported to develop mental health skills and knowledge. This initiative has been extended till 2027. 6,680 ECEC services have been recruited (December 2023).

Source: Beyond Blue, December 2023.

Issue: Inclusion Support Program

MYEFO Pg No. 203 and 234 Contact: Kylie Crane Ph: s 22

Deputy Secretary, Early Childhood and Youth

# Inclusion Support Program Budget

Table 1: ISP Administered Funding Allocation (GST exclusive) as at 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO)

Cumpart time	2022–23	2023–24	2024–25	2025–26	2026–27
Support type	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)
IDF Subsidy:  - IDF Additional Educator Subsidy  - IDF Subsidy Immediate/Time Limited Support  - IDF Family Day Care Top Up	\$121.7 <sup>1</sup>	\$165.2 <sup>3</sup>	\$85.1	\$85.2	\$85.2
IDF Innovative Solutions Support	\$6.4	\$3.4	\$6.4	\$6.5	\$6.5
Specialist Equipment Library	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
ISP Evaluation and Portal Access	\$5.8 <sup>2</sup>	\$1.0	\$1.0	\$1.1	\$1.1
ISP Providers	\$40.1	0.1 \$40.1 \$40.1		\$40.3	\$40.3
Total	\$174.1	\$209.8	\$132.7	\$133.3	\$133.3

<sup>&</sup>lt;sup>1</sup> This includes \$41.4 million Movement of Funds (MoF) from 2021–22.

**Note:** Funding allocations for ISP are not specified in the PBS – they are contained within the total amounts reported for Program 1.1 – Support for the Child Care System.

# **Key Points**

- The Inclusion Support Program (ISP) is a \$133 million a year program to build capacity and capability of approved early childhood education and care (ECEC) services to support the inclusion of children with additional needs, particularly those with a disability.
- The Productivity Commission (PC) Early Childhood Education and Care Inquiry draft report and the 2023 ISP Review found continued inclusion gaps across ECEC.
- The ISP Review noted while the objectives of ISP are broadly aligned with the government focus on inclusion, it is not currently optimised to develop workforce capability to support inclusion.
- Demand on the program has been growing and \$73.8 million in additional ISP funding was received through MYEFO 2023–24.

<sup>&</sup>lt;sup>2</sup> This includes \$4.77 million for ISP Portal Enhancements (sourced from the 2021–22 MoF).

<sup>&</sup>lt;sup>3</sup> This includes \$3.3m MoF from 2022-23, \$3.0 million re-allocated from Innovative Solutions and approved additional funds of \$73.8 million. Source: Pages 203 and 234 Budget 2023–24 MYEFO publication <a href="https://budget.gov.au/content/myefo/download/myefo2023%E2%80%9324.pdf">https://budget.gov.au/content/myefo/download/myefo2023%E2%80%9324.pdf</a>

 Changes to the application of the ISP guidelines were introduced on 11 January 2024 to ensure the ISP remains sustainable while program reforms are considered in light of the PC Inquiry and ISP Review findings.

## ISP Review

- In March 2023, the Department of Education (the department) commissioned Deloitte Access Economics to conduct an external review of the ISP. The review's final report was released on 23 November 2023.
- The report found inclusion gaps remain, particularly for children with barriers other than disabilities. The ISP Review found the current emphasis on funding for Additional Educators does not lead to increased capability across the sector as they are primarily used to supplement staffing ratios rather than embed inclusive practice. There are no qualification or specialisation requirements for Additional Educators.
- The final report, its findings and opportunities for improvement are published on the department's website.

# **Productivity Commission Draft Report**

- The PC released its draft report from its Early Childhood Education and Care Inquiry in November 2023, and identified inclusion gaps across ECEC.
- The report found that universal access will require tackling of availability, affordability and inclusion gaps. It went on to note vulnerable children, who would most benefit from ECEC, are least likely to attend.

# Changes Implemented – January 2024

- On 11 January 2024, changes to the application of the ISP guidelines came into effect. The department notified all ECEC services, Inclusion Agencies (IAs) and the Inclusion Development Fund Manager (IDFM).
- The changes aim to ensure the ISP remains fiscally sustainable while the Government considers the outcomes of reviews examining the ISP and the ECEC sector. Changes include:
  - Any ISP IDF Additional Educator application submitted on or after 11 January 2024 will only be approved up until 30 June 2024. If eligible ECEC services require IDF Additional Educator subsidy beyond that date, they will need to reapply for support.
  - Funding for projects under the ISP's Collaborative and Strategic Projects and Innovative Solutions support that are greater than \$10,000 or go beyond 30 June 2024 are unlikely to be approved (except in exceptional cases).

## ISP Future

- The future direction of the ISP is currently being considered to ensure it is sustainable and can deliver against its objectives in line with findings from the ISP review and the PC Inquiry.
- Contracts for IAs and the IDFM expire on 30 September 2025 (end of service 30 June 2025, then delivery of final reports and financial acquittals by September 2025).

# **Background**

- In 2022–23, around 6,080 services and 21,000 children received support under the ISP.
- In March 2020, program guidelines were updated to include children with other additional needs, including behavioural and mental health.
- This change, along with the rising number of children with additional needs in the Australian population, and awareness by the sector of ISP supports available, has led to an increased demand for the Inclusion Development Fund (IDF) – primarily the IDF Additional Educator Subsidy. The number of ISP supported children increased 61 per cent between 2019–20 to 2022–23.
- At MYEFO 2023–24, to address increased demand, ISP received additional funding of \$73.8 million.
- The department currently funds seven IAs to work with eligible ECEC services in their jurisdiction to build capacity and capability to provide and embed inclusive practice. Where inclusion barriers are identified that cannot be resolved through IA support alone, additional support may be provided via the IDF, Specialist Equipment Library and/or IDF Innovative Solutions.
  - IA support includes strategies, equipment, Strategic Inclusion Plan (SIP) development and IDF application.
- The department has engaged KU Children's Services, as the IDFM to provide nationally consistent and equitable management of the IDF through initial assessment of applications for funding.
- The Additional Educator Subsidy provides \$23 per hour to centre-based services to employ an additional educator.
   This increases the educator to child ratio to support the inclusion of additional needs child (or children). The Additional Educator Subsidy can be approved for up to 25 hours per week (for a single child) and up to 40 hours per week for more than one child.

## Media

- Changes to the Inclusion Support Program Announced (11 January 2024)
  - Freya Lucas wrote in the <u>Sector Early Education New, Jobs and More</u> that the new applications for an additional educator under the ISP Inclusion Development Fund will only be approved up to 30 June 2024; and that services will need to reapply if they require an additional educator beyond 30 June 2024.
- Final Report from ISP Review Released (28 November 2023)
  - Freya Lucas wrote in the <u>Sector Early Education New, Jobs</u> <u>and More</u> that the department had released its final report following a review of its ISP for the ECEC sector.

Date Last Cleared	23 January 2024	
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Issue: Regional Access

Contact: Kylie Crane

Ph: s 22

Deputy Secretary, Early Childhood and Youth Group

# **Key Points**

 The Australian Government delivers a range of supports to help families access the early childhood education and care (ECEC) services they need.

- The Government is aware of the additional difficulty often faced by families living in regional and remote areas when looking for suitable ECEC services.
- Approximately 25% (3,661) of approved ECEC services (not including In Home Care (IHC)) are located outside major cities.
- As at 31 December 2023, 491 families were on the IHC waitlist:
  - 60% of waitlisted families were waiting for an educator to be employed, and
  - of the total families on the waitlist, 20% were geographically isolated.
- IHC Support Agencies are working with IHC services, Registered Training Organisations (RTOs), and employment services to promote IHC as a career to potential educators.

# Key Programs and Initiatives

- The Community Child Care Fund (CCCF) supports around 900 services to reduce barriers to access, particularly for children and families in rural and remote communities experiencing disadvantage, First Nations communities, and where services are in limited supply.
- The CCCF will deliver approximately \$611.3 million over 4 years (2023–24 to 2026–27, including Connected Beginnings), with over 60% of allocated funding over 2 years (2023–24 to 2024–25) supporting services in regional and remote locations. <sup>1.</sup>
- On 23 October 2023, the Government announced the outcomes of a competitive grant opportunity under the CCCF, to establish new services in areas of limited supply.

<sup>&</sup>lt;sup>1</sup> Note: 60 per cent has been calculated based on known system commitments in 2023-24 and 2024-25. This is not 60 per cent of the total appropriation/budget, as this includes other components that cannot be seen in the grant management system.

- From a total of 150 applications received, funding of \$16 million is being provided to fund 47 new services, across 38 communities in priority regional and remote parts of the country.
- Successful providers are being funded to establish 13 new Centre Based Day Care services and 34 Family Day Care locations.
- The CCCF Round 4 competitive grant opportunity opened for applications on 12 February 2024, providing funding of \$84 million over 2 years from July 2024 to support ECEC services, particularly those in currently under-served or unserved regional, rural and remote areas. Applications are open for 4 weeks, and will close on 8 March 2024.
- Since 4 April 2023, the Government has announced 8 new CCCF Restricted Expansion grants to First Nations led organisations and grant negotiations are underway with organisations in another 4 sites.
  - The \$29.9 million allocated to this Closing the Gap measure over 4 years from 2021–22 supports organisations to establish new services in remote and very remote areas where there is little or no ECEC service available.
- The IHC and Connected Beginnings programs also support ECEC access for geographically isolated households and First Nations children.
- Since 10 July 2023, the Government has been providing a base level of 36 subsidised care hours per fortnight for First Nations children, regardless of their family's activity. This will benefit around 6,600 First Nations families and encourage new engagement in ECEC.
- Further information on key programs and initiatives is at <u>Attachment A</u>.

# Child Care Subsidy

- The Government supports families by reducing the cost of ECEC through the Child Care Subsidy (CCS) which targets support to families who need it most.
- The Government has lifted the maximum CCS percentage to 90% for families earning under \$80,000 and has increased subsidy rates for families earning less than \$530,000.
- The changes have benefited around 1.2 million families, including 265,000 families in regional and remote Australia, with no families worse off.

 The CCS changes begun being paid to families from the first CCS fortnight of the 2023–24 year, which commenced on 10 July 2023.

# Responsibilities of Governments

- The Australian Government and state and territory governments have a shared responsibility for improving access to ECEC in regional areas of Australia. These roles are distinct but complementary.
  - States and territory governments have their own funding programs and initiatives to support access to ECEC and are responsible for regulating and approving ECEC services under the National Quality Framework (NQF).
  - State governments are responsible for regional planning and growth. Local governments also plan, fund and deliver ECEC.
- The Government and state and territory governments are working collaboratively on a long-term national ECEC Vision and the National Children's Education and Care Workforce Strategy to increase access to ECEC in regional areas.

## Workforce

- The ECEC sector faces challenges in attracting and retaining the qualified workforce it requires.
  - Workforce shortages are most acute outside of major metropolitan regions. The percentage of services holding a temporary waiver for one or more of the staffing requirements under the NQF in outer regional, remote and very remote areas, is 4.3% higher than in inner regional and major cities.<sup>2</sup>

Temporary staffing waivers by remoteness classification

Classification	Very Remote Australia	Outer Regional Australia	Remote Australia	Inner Regional Australia	Major Cities of Australia	
% of temp.	15.3%	15%	11%	9.8%	9%	
staffing waivers						Difference
Average		13.7%		9.	.4	4.3

 Most staffing waivers relate to temporary difficulties experienced by long day care service providers in meeting the early childhood teacher requirements stipulated under the Education and Care Services National Regulations, with very few relating to the educator-to-child ratio requirements stipulated under the Regulations.

NQF Snapshot Q4 2023 (acecqa.gov.au) W4: Proportion of services with a waiver by remoteness classification and waiver category\*

 The National Children's Education and Care Workforce Strategy is an important Government initiative designed to support the recruitment and retention of the ECEC workforce.

# **Productivity Commission Inquiry into ECEC**

- The Productivity Commission (PC) has been asked by the Government to consider the impact on access to quality ECEC, including by remoteness and whether different settings are required based on the location of services or family circumstances.
- The PC's draft report included a finding that ECEC availability tends to be poorer in regional and remote areas, and a recommendation that additional funding be provided to support universal access in persistently thin markets.

# Australian Competition and Consumer Commission Inquiry

- The Government commissioned the Australian Competition and Consumer Commission (ACCC) to conduct an inquiry into the market for ECEC services released its final report on 29 January 2024.
- The final report outlines 8 recommendations and 31 findings.
- Key findings include:
  - A 'one size fits all' approach to regulation is unlikely to meet government and community expectations for all markets.
  - Overall, costs to supply services to different areas of remoteness do not differ greatly, except for the areas of most remoteness.
  - Staffing constraints are a barrier to more suppliers entering or expanding their operations in childcare markets. These are more pronounced in regional and remote locations.
  - On average, margins for ECEC services are higher in Major Cities and more advantaged areas.
- Findings and recommendations from the ACCC Inquiry will help inform the PC's comprehensive inquiry into Australia's ECEC system. The PC's final report is due to Government by 30 June 2024.

## Media

- Lack of ECEC options is pricing women out of work and promotion, CEO says, The Sector, 06 December 2023
   The Parenthood Interim CEO, Jessica Rudd has emphasised the lack of ECEC availability and its disproportionate impact on feminised sectors, and remote and regional areas in her recent address to the National Press Club.
- Rural families unable to return to work as childcare waitlists
   stretch years into the future, ABC Rural, 12 November 2023

   The article mentions the shortage of ECEC availability, the long waiting list for child care in rural areas, and the possibility of reforming the subsidy to provide support for regional families who depend on private carers.

## **Attachments**

**<u>Attachment A</u>** – Further information on key programs and initiatives

Date Last Cleared	08 February 2024

## Attachment A

# Further Information on Key Programs and Initiatives Community Child Care Fund Restricted (CCCFR)

- CCCFR grants support approximately 150 services, mainly in regional, remote or very remote areas.
- The grant is currently under review. The review will examine a number of aspects about the grant, and will determine how well it is meeting its stated goals which are to:
  - improve early childhood development outcomes for children experiencing disadvantage; and
  - increase workforce participation by vulnerable and disadvantaged families.
- The review's final report will be provided to the department in late-February 2024.

# **CCCFR Expansion**

- In August 2021, the Government announced an additional \$29.9 million over four years, from 2021–2022, to establish new CCCFR services, in mainly remote locations where there are little of no ECEC services available. The funding is part of the Government's commitment to achieving Closing the Gap targets.
- The Government has announced eight grants to First Nations led organisations. Once all sites are established, they will provide access to high quality ECEC for more than 300 children per year.
  - o Julalikari Council Aboriginal Corporation in Tennant Creek, NT
  - Puuya Foundation in Lockhart River, Qld
  - o Napranum Aboriginal Land Council in Napranum, Qld
  - Wunan Foundation in Kununurra, WA
  - Central Australian Aboriginal Congress, Alice Springs, NT
  - Central Desert Regional Council, Ti Tree, NT
  - Bundiyarra Aboriginal Community Corporation, Geraldton, WA
  - Kowanyama Aboriginal Shire Council, Kowanyama, Qld.

 Grant negotiations are underway with organisations in another four sites. Refer SB24-000142 DB ECEC Programs Key Issues for further detail on funding.

# **Connected Beginnings**

- Connected Beginnings draws upon the strength and knowledge of First Nations' communities to increase children and families' engagement with health and ECEC.
- Connected Beginnings works closely with First Nations communities to identify early childhood priorities for change, and to lift participation in quality and culturally appropriate ECEC services and programs to improve school readiness and developmental outcomes for children.
- The program currently funds projects in 41 communities across Australia including metropolitan, regional, remote and very remote locations, and is expanding to 50 sites by 2024–25.
- The program supports around 18,800 First Nations children aged 0–5. Once expanded, around 20 per cent of First Nations children will be living in a community with Connected Beginnings.

# In Home Care (IHC) program

- IHC provides high quality, flexible ECEC to families for whom other approved ECEC options are not available or appropriate due to their unique circumstances. Families using IHC often work non-standard or variable hours, have complex needs, or are geographically isolated, such as those in regional and remote communities.
- \$5 million each year funds five IHC Support Agencies. They assess families' suitability for IHC, manage the delivery of IHC, and recommend the allocation of IHC places to approved services.
- CCS for IHC is paid per family, is means tested, and is subject to the CCS activity test, with a family hourly rate cap of \$37.34. In addition, eligible families using IHC receive the Additional Child Care Subsidy.
- As at 30 September 2023, 970 families were using IHC and a further 496 families were on the IHC waitlist.
  - 50 percent of waitlisted families were waiting for an educator to be employed and 19 percent were geographically isolated.
- In 2023, an independent external review of IHC was commissioned, with a final report published in November 2023.

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• The report found the IHC partially met its objective. However, the report stated the program was hampered by workforce shortages, affordability, and access issues. It recommended the program is tailored to serve the three cohorts it seeks to serve.

# StartingBlocks Website

- Families can access the information they need to make choices about their children's needs, through the StartingBlocks.gov.au.
- The StartingBlocks website allows families to search for information on services in their area, including fees, vacancies and quality ratings. StartingBlocks is hosted by the Australian Children's Education and Care Quality Authority (ACECQA).
- ACECQA also collects information about ECEC vacancies for publication on Starting Blocks, so families are able to locate available care options which are accessible to them.
  - The search engine allows families to find services with vacancies up to 50 km radius of the selected suburb. Vacancy information includes age ranges and available days. The search can be narrowed to include service type and quality rating.
  - Vacancy data is provided to ACECQA through daily data files from Services Australia, with the Starting Blocks website updated 5 times a week (Sunday to Thursday).
- Waitlists are kept by individual services. Waitlists are unreliable data sources, because parents can choose to be on more than one waiting list at once. Therefore, waitlists are not shown on StartingBlocks.
- The StartingBlocks Child Care Subsidy Calculator allows families to calculate their current CCS rates and fees and has been updated to provide families with an estimate of the CCS rates from 10 July 2023.
- Further enhancements to the StartingBlocks website are underway, to improve the usability of the website.
- Additional information and features are also being added to StartingBlocks, to enable families to see average year-on-year fee increases, as well as publication of some revenue and profit information for large providers. This is a big step in the Government's commitment to improving transparency in the ECEC sector.

Issue: Youth

**PBS Pg No.** Page 30, Department of Education 2022–23 October Budget

Contact: Kylie Crane

Ph: s 22

Deputy Secretary, Early Childhood and Youth

# **Budget - Youth Engagement Model**

Financial year	2022–23	2023–24	2024–25	2025–26	2026–27	Total
Budget Allocation	1.931	2.826	2.868	2.903	2.922	10.528
Committed	1.931	2.826	2.868	2.903	2.922	10.528
Uncommitted	-	-	-	-	-	-

# **Key Points**

- In the 2022–23 Budget, the Australian Government committed \$10.5 million over 4 years to establish a new Youth Engagement Model (the model) to formally engage young people in policy and program design. This funding includes:
  - \$7.0 million to establish an Office for Youth which includes a Youth Steering Committee, an Australian Government Interdepartmental Committee on Youth, and an Australian Government Intergovernmental Coordination Committee on Youth.
  - \$0.5 million for the development of a Youth Engagement Strategy to be delivered in the first half of 2024.
  - \$1.5 million for the Australian Youth Affairs Coalition to support its critical role in youth advocacy, engagement, and research.
  - \$1.5 million for 5 youth advisory groups to work directly with Australian Government agencies on policy and program development.
- In 2024 the Youth Advisory Groups are:
  - First Nations Education in partnership with the National Indigenous Australians Agency and the Department of Education.
  - Creative Industries in partnership with the Office for the Arts.
  - Employment in partnership Department of Employment and Workplace Relations.
  - Civic Engagement in partnership with the Department of Home Affairs.
  - Prevention of Gender-Based Violence in partnership with the Department of Social Services (DSS).

 Safe and Supported (continuation from 2023) in partnership with DSS who will fund the second year of this group.

# Youth Consultations and Issues of Importance

- The Office for Youth is developing a youth engagement strategy to improve how government works with young people and to ensure that young people from all backgrounds can be engaged on government decisions that shape their lives.
- The Strategy has been informed by responses to a discussion paper, online surveys and consultations with young people and the youth sector.
- The consultations included workshops with young people, stalls at community events and festivals and roundtables with the youth sector.
- This includes 58 consultations between 7 June and 28 November 2023 with more than 2,000 young people. These occurred online and in metropolitan, regional, rural and remote locations and in every state and territory.
- More information on the Youth Engagement Model is at Attachment A.

# **Existing Youth Funding**

- The Department of Education is providing \$1.2 million over 4 years from 2021–22 in sponsorship funding to the National Australia Day Council to coordinate, administer and promote the Young Category of the Australian of the Year Award from 2022 to 2025.
- The Department of Education provided \$350,000 (ex GST) in 2022–23 to the Australian Broadcasting Corporation for the delivery of the 2024 Heywire and Takeover summits.

# Key Youth Statistics<sup>1</sup>

- Australia has over 3.9 million young people aged 12–24, representing 15.7% of the population.<sup>2</sup>
- General unemployment in December is at 3.9% (seasonally adjusted) while youth (15–24 years) unemployment is at 9.5% (seasonally adjusted).<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> The Government defines youth as those aged 12–25. This age range covers young people through major life transitions, including as they enter adulthood. Where data for those aged 12–25 years are not available or readily published, or the numbers are too small for robust reporting, a different age range (most commonly 15–24 years) is used. This range is the most common as it aligns with ABS reporting brackets.

<sup>&</sup>lt;sup>2</sup> Source: ABS 2021 Census.

<sup>&</sup>lt;sup>3</sup> ABS November 2023 Labour Force release.

- Youth (15–24 years) underemployment is at 15.8% in December 2023 (seasonally adjusted).
- There are 331,048 young people that identify as having a mental health condition. This represents 10.9% of the youth population (15–24 years).<sup>4</sup>
- More youth statistics are at <u>Attachment B</u>.

## Media

 Young women leading way, The Centralian Today, 14 December 2023.

Shaun Hollis published a media article about Shanaya McAdam-Bray (from the First Nations Youth Advisory Group) as a winner of the young rural women's competition. The article mentions that Shanaya is a member of the First Nations Youth Advisory Group that gives advice to the National Indigenous Australians Agency on developing early education programs. Full article is at <a href="Attachment C">Attachment C</a>.

## **Attachments**

Attachment A –Youth Engagement Model

**Attachment B** – Youth Statistics

<u>Attachment C</u> – Article in the Centralian Today about Shanaya McAdam-Bray (from the First Nations Youth Advisory Group)

Date Last Cleared	07 February 2024

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4 ABS 2021 Census

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#### Attachment A

## **Youth Engagement Model**

### Office for Youth

- The Office for Youth has been established as a dedicated unit in the Department of Education to support the contribution of young people and advocates, improve and harmonise youth policy across government and ensure the government is communicating effectively with young people.
- The 2022–23 October Budget provided resourcing for 10 ASL, as well as for consultations with young people, the youth sector and government.
- Now fully staffed, the Office for Youth consists of 15 staff including a dedicated Assistant Secretary and a communications specialist.
- The Office for Youth is responsible for three key advisory groups to support the implementation of the model: (1) the Interdepartmental Committee for Youth (IDC), (2) the Intergovernmental Coordination Committee for Youth (IGCC); and (3) the Youth Steering Committee (steering committee).

## Youth Interdepartmental Committee (IDC)

- The IDC has representation at the First Assistant Secretary level from 18 Australian Government agencies.
- The IDC provides oversight and governance of the model and its implementation across government.
- The IDC has met on 3 August 2022, 15 November 2022, 11 May 2023, 18 August 2023 and 8 February 2024.

## Youth Intergovernmental Coordination Committee (IGCC)

- The Assistant Secretary IGCC provides feedback on, and coordination of, the development of the Youth Engagement Strategy. The IGCC also acts as an information sharing mechanism on whole-of-government activity affecting young people.
- The IGCC has met on 28 February 2023, 8 June 2023, 3 October 2023 and 30 January 2024.

## Youth Steering Committee

- The committee is made up of 14 members aged 13–24 from across Australia. Full membership of the committee was announced on 19 November 2022 and is available on the department's website.
- The committee is under the direction of the Minister for Youth, and the Office for Youth. The committee is supporting the establishment of the new Youth Engagement Model including development of a youth engagement strategy.
- The first meeting of the committee took place in Canberra from 21 November to 23 November 2022. The Australian Youth Affairs Coalition (AYAC) is funded under its current contract to support the committee and meet the costs of in-person meetings including travel, accommodation, and catering.
- The committee has also met on:

- o 8 December 2022 (online)
- o 24 January 2023 (online)
- o 29-31 March 2023 (in-person)
- 25 May 2023 (online)
- o 27 July 2023 (online)
- o 5 October 2023 (online)
- o 14 December 2023 (online)
- 8 February 2024 (online)

#### **Australian Youth Affairs Coalition**

- In June 2022, the department provided \$422,551 (incl. GST) in grant funding to fund AYAC for the National Youth Policy Project.
- The project supports a range of youth engagement, research and coordination activities. The department's contract with AYAC expires 31 July 2023.
- As announced in the October 2022–23 Budget, the department will provide recurrent funding to AYAC—\$1.528 million (ex GST) over three years from 2023–24—to support the Office for Youth and development of the model.
- The new contract for 2023–24 was signed on 22 June 2023.

## **Youth Engagement Strategy**

- The Youth Engagement Strategy is being developed by the Australian Government
  Office for Youth to improve how government works with young people and ensure
  that young people from all backgrounds can have a say on government decisions
  that shape their lives.
- Throughout the consultation period in 2023, the Office for Youth:
  - o consulted with more than 4,500 young people including:
    - ■over 2000 young people at 58 consultations
    - over 2500 young people through an online survey, and
  - o received 34 responses to the discussion paper.
- When asked about how they would like to be involved in working with Government on an issue important to them, the top five responses included:
  - Filling out a survey
  - o Events at school, TAFE or University
  - o Social media
  - Youth organisations
  - Face-to-face events
- The top issues identified by young people were:
  - o Cost of living
  - o Mental Health
  - Climate change and the environment.
- The Youth Engagement Strategy will be released in the first half of 2024.

# **Youth Advisory Groups**

- Five youth advisory groups were established in 2023 to work directly with Australian Government agencies on the development of policies and programs that affect young people.
- The members of the advisory groups represent the diversity of Australia's young people including First Nations young people, regional, rural and remote young people and young people from culturally and linguistically diverse backgrounds.
- The 2023 groups met in Canberra on 29–31 March 2023 to receive training and meet with Minister Aly and other portfolio ministers, representatives from the Office for Youth as well as officials from Australian Government agencies.
- Groups continue to meet virtually with their partner agencies and the Office for Youth and planning is underway for their End of Program meetings that will coincide with the in-person meetings being held in Canberra in March 2024 for the new 2024 Youth Advisory Groups.
- In 2023, the Youth Advisory Groups were:
  - First Nations in partnership with the National Indigenous Australians Agency.
  - Mental Health and Suicide Prevention in partnership with the Department of Health and Aged Care, National Mental Health Commission, and Suicide Prevention Office.
  - Promotion of STEM in partnership with the Department of Industry, Science and Resources.
  - Climate Change and COP28 in partnership with the Department of Climate Change, Energy, the Environment and Water.
  - o Safe and Supported in partnership with the Department of Social Services.

### Attachment B

## Youth statistics

# Total Young People

 Australia has over 3.9 million young people aged 12–24, representing 15.7 per cent of the population (Source: ABS 2021 Census).

# **Employment**

- Youth unemployment is at 9.5 per cent (seasonally adjusted) in December 2023.
- Youth underemployment is at 15.8 per cent (seasonally adjusted) in December 2023.
- General population unemployment remains at 3.9 per cent in December 2023 (seasonally adjusted) (Source: ABS December 2023 Labour Force release).

# Cost of Living and Housing Affordability

- More than half of young people (54 per cent) identified cost of living as a concern that needs to be addressed urgently.
- Two in five young people (42 per cent) identified housing affordability as a concern that needs to be addressed urgently.

(Source: headspace National Young people Mental Health Survey 2023)

## Mental Health

(Source: census data provided below, SQ22-000242 provides mental health data from various reports, as provided to OFY from DHAC)

• There are 331,048 young people that identify (self reported) as having a mental health condition. This represents 10.9 per cent of the youth population (15-24 years).

(Source: ABS Census of Population and House, 2021. Self reported data)

## Youth Homelessness

- In 2016, 1.61 per cent of young people aged 15–24 were estimated to be homeless or marginally housed.
- This compares to 0.91 per cent of the total population 15 years and overestimated to be homeless or marginally houses in 2016.

  (Source: ABS Census of Population and Housing, 2016 (2021 data not released yet)

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## Justice

(Source: 2023, Australian Institute of Health and Wellbeing)

 Rate (number per 10,000 young people) of young people aged 10–17 under supervision on an average day, by supervision type, states and territories, 2021–22.

Type of Supervision	National	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Community- based supervision	10.7	10.3	4.6	16.6	13.8	8.9	10.7	8.3	26.8
Detention	2.7	1.9	1.3	4.8	3.8	1.7	1.5	2.5	19.8
Supervision (any type)	13.4	12.1	5.8	21.3	17.4	10.5	12.2	10.7	46.2

### Trends:

- Over the 5 years from 2017–18 to 2021–22, the number of young people aged 10 and over who were under supervision on an average day fell by 18 per cent (5,505 to 4,536), however, the number fluctuated throughout this period, with a high of 5,679 in 2018–19. The rate for people aged 10–17 dropped from 19 to 13 per 10,000.
- In community-based supervision, the number of young people on an average day fell by 18 pe cent (4,563 to 3,742) over the 5-year period. The rate dropped from 16 to 11 per 10,000 for those aged 10–17.
- In detention, the number on an average day fell by 15 per cent (971 to 822) over the same period. The rate fell from 3.4 to 2.7 per 10,000 for those aged 10–17 between 2017–18 and 2021–22. However, in the most recent year, the number of young people in detention rose by 3.8 per cent (from 792 to 822) and the rate was slightly higher, from 2.6 to 2.7 per 10,000.

# Young women leading way By SHAUN HOLLIS

The Centralian Today

Thursday 14th December 2023 333 words Page 10 | Section: NEWS 486cm on the page







A winner of the young rural women's competition Shanaya McAdam-Bray of Alice Springs.

All the winners of the young rural women's competition, including Shanaya McAdam-Bray of Alice Springs.

# Young women leading way

ONE inspiring young Alice Springs leader has been making waves in Canberra.

First Nations Youth Advisory Group mem-ber Shanaya McAdam-Bray has visited the nations capital after winning a prize to participate in a national leadership summit.

Ms McAdam-Bray, 17, last month visited federal parliament, did workshops, went to a career fair and had lunch with a host of MPs and senators as part of the five-day visit, sponsored by not-for-profit women's program Country to Canberra.

In her winning entry, she advocated for di-versity and empowering future generations to create positive change.

"I think that by being people from all walks of life, we are able to share our life and stories that we have experienced as young women to help empower each other," she says of herself and the other prize winners.

She says her goal is to go on to further study next year after finishing year 12 this year.

"My main ambition is to be the first person in my family to go to college and graduate with a law and political science degree

Senators Anne Ruston, Katy Gallagher, Bridget McKenzie, Pauline Hanson and Jacqui Lambie, and MP Dr Helen Haines, supported the visit to Parliament House by Ms McAdam-Bray and 14 other successful young women from across Australia.

The winners shared their goals and ambitions for the future of Australia during the lunch, saying they were inspired and driven to

The First Nations Youth Advisory Group gives advice to the federal government's Na-tional Indigenous Australians Agency on de-veloping early education programs.

They have a role in designing where funding goes including the types of activities that are eligible.

Country to Canberra supports young rural and regional women to build leadership skills, encourage self-bellef and connect with role models and mentors.

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