

APPENDIX 4

Extract from PriceWaterhouseCoopers Report

Appropriate procedures and staff training could potentially provide equivalent quality levels even if the Authorised Supervisor manages more than one premise. The exact number, which an Authorised Supervisor could adequately handle, would be subject to a range of factors including the number and training levels of staff, number of children, travel distances etc.

Recent incidents have occurred where children have been left locked in a service after closing for the day, sometimes for many hours. These incidents create undue trauma for the children and families involved. The draft Regulation will require that at least two staff members check beds in all areas of the premises to ensure no child remains on the premises after the service closes.

Services are required to be staffed by two persons as a minimum, at all times.

The provision would allow the two persons to undertake the inspections at different times, provided they are able to continue to adequately supervise children. In larger centres these issues may be managed by closing rooms progressively during the day. A minimal impact is therefore anticipated.

The draft Regulation will require that staff and carers give an undertaking to the licensee that they will abide by the Code of Ethics issued by the Australian Early Childhood Association.

A Code of Ethics is a set of statements about appropriate and expected behaviour of members of a professional group and, as such, reflects its values.

A Code of Ethics is most effective where it is widely recognised, applied and accepted by service providers. There are mixed views regarding the appropriateness of this specific Code. Unless a majority of service providers are members of the association then it may be unrepresentative of the values of a majority of service providers who are not members. Arguably, there may be alternative codes, which provide equivalent outcomes and better match the requirements of service providers without creating conflict between associations. The consultation process may prove helpful in this regard.

Staff: child ratios

The draft Regulation includes the following changes:

- the staff–child ratio for children under two years of age is reduced from 1:5 to 1:4;
- the ratio of staff–children must be based on the age of the youngest children in the group; and
- one adult for each child is required within the fenced area of any swimming pool on the premises of a centre or the home of a carer.

Mixed views have been expressed regarding the reduction in the staff: child ratio for children under two years of age. Current practice is for children to be arranged in groups of 1:5 or to a lesser extent in ratios of 1:4.

The rationale for the change in ratios is based on more than 30 years of child development research and is supported by the more recent research in relation to child brain development (most of the development in the intelligence of children occurs before the age of seven years and most of the growth of brain cells occurs before the age of two years). The key contributing components of quality in child care are the ratio of staff to children, the numbers of children in the group in which they are

cared for and the qualifications of staff. Of these components research has consistently identified the staff–child ratio as the most important contributing factor.

The effects of child care on outcomes for children have been the subject of extensive research over the last 50 years. The area that has received the most attention has been the effect of child care on the development of children aged from birth to two years. The research findings in this area have shown remarkable consensus with ratios below 1:5 leading to the best outcomes for young children. Reflecting a concern for outcomes for this vulnerable group both Queensland and Western Australia’s regulations now require a ration of 1:4. This ratio is also consistent with the current practice of major employing bodies in NSW.

A High/Scope Perry preschool study has indicated that children who receive high-quality, active learning child care at ages three and four have improved social development outcomes. Improved outcomes include half as many criminal arrests, higher earnings and property wealth and a greater commitment to marriage (High/Scope Educational Research Foundation, Perry Project Fact Sheet (US research), available at: www.highscope.org/Research/Perry/Project/perrymain.htm).

Another study comments:

*Adult-child ratio affects children because as the number of children per adult increases, the opportunity for sensitive or appropriate interaction between the adult and each child decreases.*⁶⁰

While a lower ratio tends to make quality care a more likely outcome, the available research also indicates that it is not a necessary or sufficient condition for quality care. For instance, some adults (particularly highly educated and well-trained teachers) can apply routines, rituals and peer cohesiveness to manage large numbers of children without compromising the quality of staff and child interaction. However for other less qualified adults, large group sizes may lead to restrictive and harsh practices.⁶¹

It should be noted that the results of this research have been interpreted in different ways by different stakeholders in the child care industry. However, common sense would suggest that the more carers available to share the care of a group of children, the better the expected outcomes for individual children – the key question becoming where the optimal trade off in benefits and costs can be achieved.

A staff child ratio of 1:5 is presently applied in the ACT, Victoria, Tasmania, the Northern Territory and South Australia. Queensland and Western Australia are the only States, which presently apply a 1:4 ratio.⁶²

Limited preliminary discussions with some peak bodies suggested that a ratio of 1:3 would be ideal but that 1:4 may be the smallest size possible to remain cost effective. Other service providers suggested that 1:5 was sufficient to achieve equivalent quality outcomes.

Reduced staff–child ratios will result in a direct increase in the cost of service provision in what is already a high cost component of children’s services. A 20 per cent increase in staffing across the State for children under two years of age would result in a large increase in demand for staff.

Attracting quality staff is reportedly already difficult for the industry and a premium in excess of 10 per cent above the Award is likely to be required, implying additional annual salary costs in the order of \$30,000 plus on-costs, for each additional staff member.

Where the service provider is able to accommodate an expansion in enrolment numbers, some additional enrolments may partly offset the additional costs incurred. Service providers may respond to

⁶⁰ Howes, C., ‘Child Outcomes of Child Care Programs’, Chapter 3 of *Issues in Child Care*, p. 34.

⁶¹ *ibid.*

⁶² A 1:5 ratio is applied in Western Australia for family day care.

these cost impacts through a combination of a reduced number of child places, reduced expenditure on other parts of the service and increased fee for services.

The impact of the staffing ratios for children under two years of age will have flow-on implications to a related change in the draft Regulation that ratios be based on the age of the youngest child in the group. This change is likely to have a significant cost impact for service providers.

During the early and later hours of the day (before 8am and after 5.30pm) there are likely to be a small number of children on the premises engaged in principally free-play time activities. If the group included one under two year old child and eight children four years of age, then three staff members would be required (the existing Regulation would require only two staff). Every service provider is likely to have mixed groups at the beginning and end of the day.

If the proposed changes were implemented, centres may respond by not accepting children under two years of age for early drop-off or late pick-up. The resulting impact could be a reduction in access to services, rather than an increase in the quality of care.

The proposal to increase ratios for supervision of children when swimming will enable more direct attention for each child and provide an increased safeguard. An increased cost will be associated with the additional supervision requirements.

Group sizes and Child Age Mixes

The regulation proposes the following changes with respect to child age mix ratios:

- children aged between 3–6 years are to be arranged and supervised in groups of not more than 20;
- where school aged children (up to 12 years of age) are attending a service for before and after school care, and are mixed in with the younger children, 10 per cent of the licensed places of the service can be occupied by those school aged children, or, if all school aged children attending the service are attending school in kindergarten or Year 1, 20 per cent of the licensed places can be occupied by school aged children.

The current regulation cap group sizes at no more than 25 children. In practice, CSAs have tended to allow group sizes (for children over three years of age) of up to 30 children, provided that child: staff ratios of 1:10 were maintained, i.e. three staff for a group of 30 children. This approach is considered acceptable, as, in practice, children are not grouped together in full for all activities but only for “large group” experiences. For the majority of the time, the larger group operates as a number of smaller sub-groups (of usually 10 children), each of who undertake “small group” activities led by one of the three staff.

Under current practice, negative consequences have not been attributed to group sizes of 30, nor the lesser size of 25. One of the benefits of socialisation in larger groups is the preparation it provides for the first year of schooling where class sizes can be as high as 30 children. The younger age and development status of children may argue for smaller group sizes before reaching school (i.e. children of only three years of age will not reach school for a number of years).¹⁷⁰ however this may be more than compensated for under current practice by the additional number of staff and the predominance of smaller group activities.

The NSW Department of Education and Training delegates decisions on school class sizes to principals based on “need not exceed” guidelines. These guidelines indicate that kindergarten classes need not exceed 26 students, year 1 classes need not exceed 28 students and year two classes need not exceed 29 students. A snapshot on class sizes from the NSW Teachers Federation found that 95 per cent of kindergarten to year 3 classes exceeded these thresholds.⁶³

⁶³ Doherty, L, Aim low or pupils pay a high price, *Sydney Morning Herald*, 4 November 2002.

In other States and Territories restrictions on maximum group sizes in children's services vary significantly. In the ACT, Victoria, Tasmania and South Australia there is no specified maximum group size. In Queensland and Western Australia, group sizes are limited according to age: children 0–2 years are capped at eight and 12 places respectively; children 2–3 years are capped at 12 and 15 respectively; children 3–5 years are capped at 24 in Queensland; and children 3–6 years are capped at 30 in Western Australia.

The inquiry [chaired by Professor Tony Vinson] is convinced that small class size in the early years of education has a beneficial effect on learning outcomes for students.⁶⁴

The inquiry chaired by Professor Vinson cited a variety of evidence including a study in the United States which measured the impact of smaller class sizes in Kindergarten to year 3 which found that by the end of year 2 schooling, children in groups of 13 to 17 students were 5.6 months superior in academic terms to those children arranged in class sizes of 22 to 25.⁶⁵

The draft Regulation reduces group sizes from 25 to 20, for small group activities. The current practice examples of larger group experiences in excess of the 25 child threshold suggest that events such as meal times, story times etc. could still occur in groups of 30 children.

Under this interpretation, the proposed change would not be expected to have a significant cost impact for the majority of service providers.⁶⁶

The proposal in the draft Regulation for before and after school care is intended to provide a relaxation from the existing 10 per cent of places able to be filled to 20 per cent if those children are in kindergarten or year 1. Under current practice, there have not been demonstrable problems with the 10 per cent requirement and a relaxation to 20 per cent does not appear to present a compromise for the quality and safety of children in care.

A wide range of approaches is applied in other jurisdictions. In the ACT, school aged children may only attend services until the age of eight years and they must be cared for in a separate room and a staff: child ratio of 1:11 applies. In Victoria, the total number of school aged children must not exceed 30 per cent of the total number of places. In Queensland a maximum of 24 school aged children is permitted. These children must be cared for in a separate room with their own group leader and in a staff child ratio of 1:12.

⁶⁴ Doherty, L., *op cit.*

⁶⁵ *ibid.*

⁶⁶ *ibid.*

APPENDIX 5

The Institute of Early Childhood's Response to the *Draft Children's Services Regulation 2002*

Pages 4-6

Child to staff ratios

There is considerable research that child/staff ratios (the child–caregiver ratio) and group size are significant factors affecting children's development of social skills (Howes, Phillips and Whitebode, 1992). To a large degree this derives from the capacity of childcare workers to provide quality interaction with children (McCartney, *et al.*, 1997). For infants and toddlers, the number of children that a child care provider is responsible for appears to be particularly important in fostering developmentally supportive exchanges in all types of child care.

Wangmann (2001, cited in Standing Committee on Social Issues, 2002, p.25) states that “research recommends a ratio of 1:3 with [children below the age of three]...rather than 1:5, so certainly when you have more children to manage and work with and less adults to do that your ability to actually work effectively with these children is ...limited”.

Research on early childhood program practices has shown a relationship among the number of children assigned to a teacher, the degree to which children experience individual positive interactions and child development outcomes. The longitudinal research supports the view that small class sizes and low child to teacher ratios contribute to positive long term benefits for children (Frede, 1995). A recent study by the NICHD Early Child Care Research Network (2002) has used structural equation modelling to examine the paths linking child–staff ratios and child outcomes. They found empirical evidence for both caregiver training and child–staff ratios influencing quality of care giving in children's services. Quality and care giving in turn was linked to cognitive and social outcomes for children that could not be accounted for entirely by family variables. Their conclusion, based on the largest and most well-designed study of day care to date, was that their findings “provide empirical support for policies that improve state regulations for caregiver training and child–staff ratios” (p.199).

Staff turnover

Continuity of staff is one of the central components of good quality child care. If staff constantly change, the children suffer because they have to adjust to new carers. The US National Child Care Staffing Study (1989) found that children in centres with higher staff turnover rates spent less time engaged in social activities with peers and more time in aimless wandering. Other staff in the service suffer because of the disruption and management suffers because of the time and the cost involved in replacing and training staff. Parents (and governments) suffer because the cost of care increases. Current research on child care in NSW has found that parents report a high rate of change in caregivers in long day care and family day care services for children under 3 years of age (Bowes, Wise, Harrison, Sanson, Ungerer, Watson & Simpson, in press).

Research into staff turnover shows that this turnover compromises the quality of care and impacts negatively on child–staff interactions. Continuity of teaching staff is in the best interests of children and families, but also of the services themselves (Bowes, Sanson, Wise, Ungerer, Harrison, Watson & Simpson, 2002). Parents may find that staff turnover hinders the development of close ties between