

NATIONAL PARTNERSHIP AGREEMENT ON THE NATIONAL QUALITY AGENDA FOR EARLY CHILDHOOD EDUCATION AND CARE

Council of
Australian
Governments

An agreement between

- the Commonwealth of Australia and
- the States and Territories, being:
 - ◆ The State of New South Wales
 - ◆ The State of Victoria
 - ◆ The State of Queensland
 - ◆ The State of Western Australia
 - ◆ The State of South Australia
 - ◆ The State of Tasmania
 - ◆ The Australian Capital Territory
 - ◆ The Northern Territory of Australia

Through this Agreement, the Commonwealth and the States and Territories will work together to implement the National Quality Agenda for early childhood education and care.

National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care

PRELIMINARIES

1. This National Partnership Agreement is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* (December 2008) and should be read in conjunction with that Agreement and subsidiary schedules.
2. The Commonwealth and States and Territories are committed to increasing their focus on the early years to ensure the wellbeing of children throughout their lives, and to deliver the vision of the *Early Childhood Development Strategy* (ECDS) endorsed by the Council of Australian Governments (COAG) in July 2009, that 'by 2020 all children have the best start in life to create a better future for themselves, and for the nation'.
3. COAG has agreed to the following outcomes where support is needed to achieve this vision:
 - a. children are born and remain healthy
 - b. children's environments are nurturing, culturally appropriate and safe
 - c. children have the knowledge and skills for life and learning
 - d. children benefit from better social inclusion and reduced disadvantage, especially Indigenous children
 - e. children are engaged in and benefiting from educational opportunities
 - f. families are confident and have the capabilities to support their children's development
 - g. quality early childhood development services that support the workforce participation choices of families
4. This National Partnership Agreement will contribute to achieving these agreed outcomes, by giving effect to COAG's decision in December 2009 to establish a jointly governed unified National Quality Framework (NQF) for early childhood education and care and Outside School Hours Care (OSHC) services, replacing existing separate licensing and quality assurance processes as part of its National Quality Agenda (NQA) for early childhood education and care. In particular, by ensuring high-quality early childhood education and care, it will contribute to improving outcomes for all children, and especially for those children from disadvantaged or at-risk backgrounds.

5. The early childhood education and care and school-age care services that will initially be covered by the NQF are Long Day Care, Family Day Care, Preschool and OSHC.
6. The Commonwealth and States and Territories already contribute significant funding to early childhood. All recognise, however, that substantial benefits and efficiencies can be realised by jointly creating and supporting a unified, NQF for early childhood education and care services.
7. Amongst the existing initiatives across governments, there are two National Partnership Agreements with complementary agendas to this Agreement; the *Indigenous Early Childhood Development National Partnership Agreement* and the *National Partnership Agreement on Early Childhood Education*.
8. The Commonwealth and States and Territories further recognise that COAG has agreed to the development of a National Agreement on Early Childhood Development, for its consideration in 2011.

PART 1 – FORMALITIES

Parties to this Agreement

9. The Parties to this Agreement are the Commonwealth of Australia and the States and Territories of Australia.
10. In entering this Agreement, the Commonwealth and the States and Territories recognise that they have a mutual interest in implementing the NQA to improve outcomes in early childhood education and care and OSHC and need to work together, at a national level, to achieve those outcomes.

Term of the Agreement

11. The Commonwealth and the States and Territories have an ongoing commitment to implementing and maintaining the NQA. This Agreement will commence as soon as all parties have signed the Agreement. This Agreement will be reviewed in 2014.
12. Following the completion of the implementation phase of the NQA, the Parties to the Agreement intend that their ongoing commitment to the NQA will be reflected in the National Agreement on Early Childhood Development, being developed for consideration by COAG in 2011.

Delegations

13. The Prime Minister is authorised to agree the Agreement on behalf of the Commonwealth. The relevant Commonwealth Minister is authorised to agree Implementation Plans on behalf of the Commonwealth.
14. First Ministers in each jurisdiction are authorised to agree the Agreement and their State or Territory's commitment to the Implementation Plan on behalf of their State or Territory, prior to consideration by the Ministerial Council.

Interpretation

15. Unless otherwise specified, the following terms and definitions are used throughout this Agreement.
- (a) *Act*: is a reference to an Act and includes reference to a Regulation.
 - (b) *Agreement*: this Agreement and any attached schedules or annexures.
 - (c) *Application of Laws*: is a process where national template legislation or national applied laws legislation is enacted in one State or Territory and applied (as in force from time to time) by other participating States or Territories as a law of those other jurisdictions.
 - (d) *Approval to operate*: where a service meets Operating level in all seven quality areas as defined in the National Quality Standard (NQS).
 - (e) *Consensus*: when regarding a voting arrangement means unanimous agreement between the Parties.
 - (f) *Deemed to comply*: when a service may not technically comply with either the Staffing Arrangements or Physical Environment standards of the NQS, but the service is assessed as being fit for purpose on an ongoing basis.
 - (g) *Early childhood*: the period from birth to age 8 years.
 - (h) *Early Childhood Development Strategy (ECDS)*: the strategy was agreed by COAG in July 2009, and provides a comprehensive approach to building an effective early childhood development system in Australia that will contribute to Australian's human capital and productivity.
 - (i) *Early childhood education and care*: incorporates child care and/or stand-alone preschool for children between birth and 5 years of age. Services are delivered through the government or non-government sectors, where the latter includes community and private, for profit and not for profit providers.
 - (j) *Early childhood development*: refers to all aspects of a child's growth, learning, development and transitions from pre-birth to school age; incorporating a holistic spectrum of policy interventions including in the health, education and care spheres.
 - (k) *Early childhood teacher*: is an early childhood teacher holding an approved qualification under the NQS or a qualification that has been assessed as equivalent.
 - (l) *Early Years Learning Framework (EYLF)*: guides early childhood educators in developing quality early childhood programs. It describes the broad parameters, principles and outcomes required to support and enhance children's learning from birth to age 5 years, including their transition to school.
 - (m) *Family day care (FDC)*: refers to services that support a network of individual carers, and are services in receipt of the Child Care Benefit where a professional carer provides flexible care typically in their own home for other people's children and as part of coordinated home-based care schemes. Care is predominantly provided for children aged birth to 6 who are not yet at school, but may also be provided for school-aged children. Carers can provide care for the whole day, part of the day, or for irregular or casual care.
 - (n) *Grandfathering arrangements*: refers to specific arrangements agreed with a certain Party that preserves the ongoing implementation of particular arrangements, where that Party has policy settings that exceed the requirements of the agreed NQA, as part of that Party's implementation of the NQA.
 - (o) *Implementation phase*: means the period between the signing of this Agreement and the introduction of the final component of the reform agenda (moving to staff to child ratios of 1:11

for children between 36 months and school age in long day care) by 1 January 2016. This phase includes the transition phase defined at (dd) below.

- (p) *Implementation plan*: a plan, to be initially developed and overseen by officials, for the implementation of the NQA, and provide the basis for biannual progress reporting to the Ministerial Council. Once the new national body is fully operational in 2012, it would assume responsibility for overseeing the implementation plan.
- (q) *Integration of early childhood education and care*: the seamless provision of long day care, preschool and other early childhood education and care services for children from birth to school age, from the viewpoint of the child and family.
- (r) *Interim approval*: is where a service is permitted to operate notwithstanding that it does not meet a particular requirement under the NQS. An interim approval is time-limited and only available for requirements under the Staffing Arrangements and Physical Environment standards. A service with an interim approval will be rated at Operating level for the quality area to which the interim approval applies.
- (s) *Jurisdiction*: means one of the Parties to this Agreement.
- (t) *Long day care (LDC)*: is a centre-based form of service in receipt of Child Care Benefit. LDC services provide all day or part-time care for children aged birth to 6 who attend the centre on a regular basis. Care is generally provided in a building, or part of a building, that has been created or redeveloped specifically for use as a child care centre, and children are usually grouped together in rooms according to age. Centres, in the majority of cases, operate between 7:30 a.m. and 6:00 p.m. on normal working days for 48 weeks per year so that parents can manage both the care of their children and the demands of their employment.
- (u) *Ministerial Council*: Commonwealth, State and Territory Ministers responsible for early childhood education and child care, which at the time of signing the Agreement, is the Ministerial Council on Education, Early Childhood Development and Youth Affairs (MCEECDYA).
- (v) *National body*: is the new body which will be established to guide the implementation and management of the new integrated NQF .
- (w) *National Childcare Accreditation Council (NCAC)*: as at the commencement of this Agreement, the National Childcare Accreditation Council is responsible for administering the Australian Government Child Care Quality Assurance System for Australian child care services. Separate quality assurance systems are in place for LDC, FDC and OSHC providers. It is intended that the functions of the NCAC will be carried out by the National Body and by State and Territory agencies under the new system.
- (x) *National Quality Agenda*: is the overarching name given to the quality reforms to early childhood education and care and OSHC, which incorporate the new National Quality Standard, including the Early Years Learning Framework, the new rating system and the associated regulatory system.
- (y) *National Quality Framework*: refers to the overall national quality framework and its new National Quality Standard and ratings system.
- (z) *National Quality Standard*: is the national level standard for the provision of high quality early childhood education and care and OSHC services across seven quality areas: educational program and practice; children's health and safety; physical environment; staffing arrangements (including ratios and qualifications); relationships with children; collaborative partnerships with families and communities; and leadership and service management.

- (aa) *Occasional care*: is a centre-based child care service that provides care for children aged from birth to five years who attend the services on an hourly or sessional basis for short periods or at irregular intervals. Occasional care services are not currently within the scope of the NQA.
- (bb) *Outside school hours care (OSHC)*: services in receipt of Child Care Benefit provide care for primary school-aged children (typically aged 5 to 12 years) before and after school and can also operate during school holidays (vacation care) and on pupil free days. OSHC services are usually provided from primary school premises. Services may also be located in child care centres, community facilities or other OSHC centres located near the primary school. OSHC are often provided by parent associations or not for profit organisations.
- (cc) *Preschool*: is a service that is covered by the NQF (refer to Clause 5) that provides an early childhood education program, delivered by a qualified teacher, often but not necessarily on a sessional basis in a dedicated service. Alternative terms currently used for preschool in some jurisdictions including 'kindergarten', 'pre-preparatory' and 'reception'.
- (dd) *Transition phase*: means the period between the signing of this Agreement and the date by which the new national body is fully operational by 1 January 2012. The transition phase is the first part of the implementation phase as defined at (o) above.

PART 2 – OBJECTIVES AND PRINCIPLES, OUTCOMES AND OUTPUTS

Objectives and principles

16. The objectives of the NQA that the Parties commit to through this Agreement are to:
 - a. deliver an integrated and unified national system for early childhood education and care and OSHC, which is jointly governed and which drives continuous improvement in the quality of services
 - b. improve educational and developmental outcomes for children attending early childhood education and care and OSHC services under the NQA
 - c. foster a joint system of governance to allow the perspective of all jurisdictions to be taken into account in the operation of the NQF where there is shared responsibility for the regulation of quality in early childhood education and care and OSHC services
 - d. improve the efficiency and cost effectiveness of the regulation of early childhood education and care and OSHC services
 - e. reduce regulatory burden for early childhood education and care and OSHC care service providers
 - f. improve public knowledge about and access to information about the quality of early childhood education and care and OSHC care services to parents, carers and the general public to help inform their choices about the quality of education and care provided to their children
 - g. build a highly skilled workforce.
17. In addition to meeting COAG's *Principles of Best Practice Regulation*, which include consideration of costs and benefits, net community benefit and regulatory burden, the NQA will also be guided by the following principles:

- a. the system will operate in a transparent, accountable, efficient, effective and fair manner
- b. early childhood education and care and OSHC care service providers will have certainty about the regulatory requirements associated with the NQA
- c. the regulatory requirements on early childhood education and care and OSHC care service providers will be consistent across Australia
- d. to the greatest extent possible legislative requirements contained under other laws will not duplicate the NQA's regulatory requirements
- e. joint governance arrangements will provide scope for individual jurisdictions to have their perspectives considered
- f. jurisdictions will not move unilaterally to change standards or fees in the future
- g. the National Quality Standard will include provision to recognise location specific conditions in particular circumstances.

Outcomes and outputs

18. This agreement will contribute to meeting the outcomes identified by COAG in its ECDS. In particular:
 - a. the introduction of the NQF will assist in ensuring children participating in early childhood education and care and OSHC are engaged in and benefiting from educational opportunities, and have the knowledge and skills for life and learning, including by promoting greater school readiness
 - b. by providing greater access to quality early childhood education and care experiences which have been demonstrated to have particular benefits for children from disadvantaged backgrounds, the national quality system will assist children to benefit from better social inclusion and reduced disadvantage.
19. The objectives and outcomes of the NQA that the Parties commit to through this Agreement will be achieved by the following outputs:
 - a. a jointly governed uniform national quality system for early childhood education and care and OSHC care that applies to LDC, FDC, OSHC and Preschools
 - b. the establishment of a national body, with joint governance arrangements, responsible for guiding the implementation and management of the national system
 - c. a single National Quality Standard (NQS) that provides clarity, for the first time at a national level, about the expectations for the provision of quality early childhood education and care and OSHC care services across seven quality areas, including the new Early Years Learning Framework (EYLF) that guides early childhood educators in developing quality early childhood programs
 - d. a national quality rating system based on the NQS that provides more transparent accountability and that combines the seven quality areas with a five-point rating scale that describes the quality of early childhood education and care and OSHC care that all parents, carers and the community should expect to find in the diverse childhood education and care settings available across Australia

- e. a new single streamlined national regulatory system to regulate and enforce the NQS, with the implementation of administration of the NQS by State and Territory agencies under the guidance of the national body.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

20. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities in regard to the regulation of early childhood education and care and OSHC care services, as outlined below and referenced in the appended schedules.

Shared

21. The Commonwealth and States and Territories share the following roles and responsibilities and will work in partnership to:
 - a. promote, support and implement the NQA and its four elements
 - i. NQS (incorporating the EYLF)
 - ii. NQF incorporating the NQS and its ratings system
 - iii. the new national regulatory system
 - iv. the new national body
 - b. implement and, as appropriate, consider amendments to the NQS, the NQF and the new regulatory system in collaboration with the new national body
 - c. support, including through the provision of funding, the transition to the National Quality Standard and its rating system, and the new regulatory system
 - d. guide, fund, and support the work of the new national body and the State and Territory regulatory agencies
 - e. consider any changes to approval to operate fees
 - f. achieve the workforce objectives of the NQA, drawing on a broad range of resources and existing initiatives from within each jurisdiction, including labour market assistance, higher and vocational education programs, effective recognition of prior learning and strategies to address remote or rural workforce issues
 - g. oversee the implementation of the EYLF within jurisdictional curriculum
 - h. promote public and early childhood education and care and OSHC care provider understanding of, and confidence in, the NQA in collaboration with the new body and the state and territory regulatory agencies
 - i. monitor and review the impact and effectiveness of the NQA, in collaboration with the new body and the state and territory regulatory agencies
 - j. develop a national evidence base to support the achievement of the NQA and its outcomes including related research and evaluation activities.

Role of the Commonwealth

22. As well as the Shared responsibilities described above, the Commonwealth will have responsibility for:
 - a. supporting the provision of early childhood education and care and OSHC care services, in particular through improving affordability for parents
 - b. contributing to the funding of preschool through the National Partnership Agreement on Early Childhood Education and the National Partnership Agreement on Indigenous Early Childhood Development
 - c. providing program support for service providers and ensuring that Commonwealth investment for early childhood development is aligned with investment within jurisdictions to implement the NQA.

Role of the States and Territories

23. As well as the Shared responsibilities described above, States and Territories will have responsibility for:
 - a. administering and delivering the application, enforcement and regulation of the NQF in collaboration with the national body with all jurisdictions using the national practices and processes to be outlined in the Guidelines for the NQS that will be developed
 - b. providing the primary source of funding for preschool programs
 - c. integrating early childhood education and care regulation into other early childhood development activities and schooling at a local and regional level as appropriate
 - d. ensuring that the implementation of the NQA within jurisdictions is harmonised with other early childhood programs and policies, including the implementation of the National Partnerships on Early Childhood Education and Care and Indigenous Early Childhood Development.

PART 4 – IMPLEMENTATION MILESTONES, INDICATORS AND REPORTING

Implementation milestones and indicators

24. For the period from the signing of this agreement until full implementation of the NQA on 1 January 2016, the Commonwealth, States and Territories assess the implementation of the NQA against the following milestones:
 - a. From 1 July 2010, assessment and rating against the new NQS begins with all Child Care Benefit 'approved' early childhood education and care and OSHC care services.
 - b. By 1 January 2012, the new national body and the new regulatory system are fully operational.

- c. Changes to staff to child ratios and qualification requirements are implemented on schedule, commencing with the new 1:4 ratio for children between birth and two years of age in LDC, which starts on 1 January 2012.
25. For the period from the signing of this agreement until full implementation of the NQA on 1 January 2016, the Commonwealth, States and Territories agree to assess their performance on achieving the Objectives of the National Partnership against the following performance indicators:
 - a. the proportion of early childhood education and care (ECEC) services with a current assessment against the NQS
 - b. the regulatory burden experienced by services.
26. In addition, ongoing performance will be assessed against the following criteria:
 - a. the proportion of parents who indicate that they know their service's rating and understand its meaning
 - b. the proportion, location and characteristics of services at each level under the ratings framework
 - c. the proportion of services with interim approval for the Staffing Arrangements or Physical Environment standards, including the number of those services by socio-economic or regional locations.
27. The adequacy of these performance benchmarks and indicators and the methods of collecting data or information to demonstrate achievement against these will be examined within the context of the review of this Agreement as outlined at clause 64.

Transition phase

28. All Parties recognise that the implementation of the NQA will be a significant undertaking that requires the support of all Parties.
29. The transition phase will commence when all parties have signed this Agreement and will conclude when the new national body is operational by 1 January 2012. The transition phase is the first part of the implementation phase.
30. Prior to the commencement of the transition phase, all Parties agree to work collaboratively to develop a detailed transitional process and in particular to test and consult with the sector in order to finalise the detail of the NQF.
31. During the transition phase the legislation and infrastructure supporting the new system will not be in place, and State and Territory licensing and quality assurance activities will continue. All services will continue to be regulated and quality assured over the transition phase.
32. All Parties recognise that the NCAC has had a central role in the quality assessment of early childhood education and care and OSHC care services prior to the introduction of the NQA. In transitioning to new arrangements the national body, States and Territories and the NCAC will work collaboratively to ensure a smooth transition.
33. During the transition period, States and Territories will use their best endeavours to give priority consideration for vacancies in equivalent positions in State and Territory regulatory agencies to current NCAC validators and moderators and relevant State or Territory employees.

34. Once the system is fully operational, the NCAC will cease to operate. The national body will be a new and distinct organisation with specific functions as outlined in Schedule A.
35. Further detail regarding transition to the NQA is provided in Schedule C.

Implementation and Reporting

36. The Parties agree that a multilateral Implementation Plan for the NQA will be developed by Commonwealth and State and Territory officials following the signing of this Agreement, and presented to the Ministerial Council for endorsement.
37. Amendments to the Plan can be requested by any Party to accommodate emerging issues. The process for considering amendments is set out at Schedule A.
38. As the new national body will not be fully operational until 2012, officials will be responsible for developing the Implementation Plan, and for reporting against the plan until the national body is fully operational. From 1 January 2012 the new body will take over responsibility for maintaining the plan and coordinating all jurisdictional reporting against the plan.
39. The Implementation Plan will have regard to the timelines and actions outlined in the schedules to this Agreement and the objectives of this Agreement. The Implementation Plan will require all jurisdictions to report their achievements against implementation milestones and indicators and will include a plan of action for the collection of information to measure performance indicators.
40. During the transition phase, that is until 1 January 2012, Commonwealth, State and Territory officials will collectively report six-monthly to the Ministerial Council against the Implementation Plan.
41. During the implementation phase, that is from 1 January 2012 until 1 January 2016, the national body will report six monthly to the Ministerial Council against the Implementation Plan, drawing on input from all jurisdictions.
42. During the transition and implementation phases, the Ministerial Council will report to COAG annually on progress with the implementation of the NQA, drawing on the six monthly reports.
43. Following the completion of the implementation phase, the national body will provide an annual performance report to the Ministerial Council which will include assessment against the objectives and outcomes of this Agreement. Following consideration by the Ministerial Council, the annual performance report will be made publicly available on the internet sites of the national body and State and Territory regulatory agencies.
44. The precise timing for provision of reports to the Ministerial Council and COAG will be guided by Ministerial Council and COAG meeting dates, or as otherwise specified in the Implementation Plan.
45. In addition to formalised reporting requirements, the national body will have scope to report to, provide advice, or seek guidance from the Ministerial Council as appropriate.
46. In particular, if the national body becomes aware that a Party to this Agreement is acting inconsistently with a provision of this Agreement, the national body must take steps to address the inconsistency with the Party and, if still necessary, provide a report to the Ministerial Council outlining the inconsistency.

PART 5 – FINANCIAL ARRANGEMENTS

Funding

47. This Agreement is based on a shared investment approach between the Commonwealth and States and Territories.
48. All Parties have agreed the following principles for funding the regulation of the NQA:
- a. all jurisdictions will, at a minimum, continue to contribute their current investment (subject to cost efficiencies from productivity improvements staying within individual jurisdictions)
 - i. for States and Territories this includes investment in the licensing and regulation of quality assurance for LDC, FDC, OSHC and preschool services
 - ii. for the Commonwealth this includes the current funding provided to the NCAC which will be used to support the implementation of the new National system
 - b. transition costs will be shared between the Commonwealth, States and Territories
 - c. the ongoing costs of the implementation of the new national system will be shared between the Commonwealth, States and Territories
 - d. each State and Territory will clearly identify their ongoing costs in administering the NQS and ratings system at a jurisdictional level and share this information with all Parties to this Agreement
 - e. the ongoing costs of the national body will also be clearly identified and shared with all Parties to this Agreement
 - f. State and Territory jurisdictions will not be expected to contribute any of their current expenditure to other jurisdictions
 - g. any subsequent enhancements that are agreed to the new system through the process set out at Schedule D will be shared between the Commonwealth, States and Territories
 - h. distribution of any revenue generated through the fee structure would reflect the effort required to regulate in each state.
49. The total Commonwealth funding allocation to the States and Territories from 2010/11 to 2013/14 under this Agreement is as follows:

	2010/11 (\$m)	2011/12 (\$m)	2012/13 (\$m)	2013/14 (\$m)	Total
NSW	2.89	5.94	9.60	8.47	26.90
Vic	1.34	3.15	5.14	4.63	14.26
QLD	1.02	0.91	1.59	1.47	4.99
SA	0.73	1.50	2.45	2.30	6.98

WA	1.22	0.75	1.17	0.88	4.02
Tas	0.11	0.19	0.30	0.28	0.88
NT	0.42	0.49	0.86	0.84	2.61
ACT	0.03	0.16	0.23	0.21	0.63
Total	7.76	13.09	21.34	19.08	61.27

50. Further detail on the distribution of funding for the NQA is provided in Schedule D.

PART 6 – GOVERNANCE ARRANGEMENTS OF THIS AGREEMENT

51. The NQA will be a jointly governed, uniform national system, with oversight by the Ministerial Council, the national body guiding implementation and management of the NQA and administration of the NQS and the ratings system by the States and Territories.
52. All Parties agree that the NQF and associated regulatory system will be enacted through the national applied laws legislation. The process of implementing the legislation and for making amendments to the NQF or legislation and the process and requirements for considering amendments to legislation and appointing board members is set out at Schedule A.

Ministerial Council

53. All Parties agree that the Ministerial Council will be responsible for overseeing the implementation and administration of the NQA. Responsibilities for the Ministerial Council are set out in detail at Schedule A.
54. During the implementation phase, should the Ministerial Council wish to pursue an approach that differs in substance to what is outlined in this Agreement, the Ministerial Council must seek COAG endorsement before proceeding.
55. The Ministerial Council will not seek to insert itself into the day-to-day operations of the national body or the State and Territory regulatory agencies.

National Body

56. All Parties agree that a national body will be established under the proposed legislation to enact the NQA. The national body will be managed by a board comprising nominees of all jurisdictions. The functions of the national body, appointment of board members and the composition of the board are detailed at Schedule A.

State and Territory regulatory agencies

57. All Parties agree that State and Territory regulatory agencies will have operational responsibility for the NQF. A lead regulatory agency will be identified in each jurisdiction. The responsibilities of state and territory regulatory agencies are detailed in Schedule A Annexure 1 Functional Responsibilities.

Variation of the Agreement

58. The Agreement may be amended at any time by unanimous agreement in writing by all the Parties to the Agreement and under terms and conditions as agreed by all the Parties.

Dispute resolution

59. Any Party may give notice to other Parties of a dispute under this Agreement.
60. The relevant delegates will attempt to resolve any dispute in the first instance.
61. If a dispute cannot be resolved between the relevant delegates, it may be escalated to a review panel constituted by the national body or as otherwise agreed by the Parties.
62. If a dispute cannot be resolved by the review panel, it may be escalated to the Ministerial Council for consideration.
63. If a dispute cannot be resolved by the Ministerial Council it may be referred by a Party to COAG for consideration.

Review of the Agreement

64. This Agreement will be reviewed by COAG in 2014 with regard to progress made by the Parties in respect of achieving the agreed objectives and outcomes. Thereafter, a review of this Agreement will be undertaken every 5 years, with the next review to be undertaken in 2019.
65. Specific issues to be examined within the context of the review include:
 - a. whether the governance arrangements agreed by the Parties as set out in Clause 48 are meeting the agreed objectives, and in particular:
 - i. delivering an integrated and unified national system for early childhood education and care
 - ii. improving the efficiency and cost effectiveness of regulation, and
 - iii. reducing the regulatory burden for providers.
 - b. whether any changes to the governance arrangements would serve to better meet the agreed objectives including any changes to the responsibilities of the national body, and any changes to responsibility for the delivery and administration of the NQF
 - c. the agreed efficient costs and adequacy of funding to achieve specified outcomes and outputs
 - d. the fee structure
 - e. further improvements to the standards, including the staff to child ratio for children in the birth to 24 months age range
 - f. workforce issues and the evidence in relation to workforce supply and take up rate of qualifications
 - g. approach to teacher registration

- h. whether there are any unintended consequences associated with the new regulatory system
 - i. the regulation of preschools, including:
 - i. mechanisms to encourage the separation of regulation from service provision
 - ii. progress being made towards a streamlined, integrated regulatory arrangements for preschools and other early childhood education and care services over time.
 - iii. progress towards uniform teacher to child ratios for preschool programs.
 - j. the structure of the board for the new national body
 - k. whether any changes are required to the performance indicators in this Agreement
 - l. consideration of available evidence and analysis to determine if there are remaining difficulties in Queensland in relation to the interaction between NOS staff to child ratios and existing infrastructure
 - m. any other matters within the terms of reference agreed by COAG for the review.
66. In addition, Parties to the Agreement will commence a review at the beginning of 2013 on progress towards meeting the qualification requirements due to come into force from 1 January 2014, particularly in relation to requirements for an early childhood teacher and for those jurisdictions in which there are significant rural and remote workforces.

Withdrawal from the Agreement

67. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth
of Australia by

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia
7 December 2009

Signed for and on behalf of the
State of New South Wales by

The Honourable Kristina Keneally MP
Premier of the State of New South Wales
7 December 2009

Signed for and on behalf of the
State of Victoria by

The Honourable John Brumby MP
Premier of the State of Victoria
7 December 2009

Signed for and on behalf of the
State of Queensland by

The Honourable Anna Bligh MP
Premier of the State of Queensland
7 December 2009

Signed for and on behalf of the
State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia
7 December 2009

Signed for and on behalf of the
State of South Australia by

The Honourable Mike Rann MP
Premier of the State of South Australia
7 December 2009

Signed for and on behalf of the
State of Tasmania by

The Honourable David Bartlett MP
Premier of the State of Tasmania
7 December 2009

Signed for and on behalf of the Australian
Capital Territory by

Jon Stanhope MLA
Chief Minister of the Australian Capital Territory
7 December 2009

Signed for and on behalf of the Northern
Territory by

The Honourable Paul Henderson MLA
Chief Minister of the Northern Territory of Australia
7 December 2009

SCHEDULES TO THE NATIONAL PARTNERSHIP AGREEMENT ON THE QUALITY REFORMS FOR EARLY CHILDHOOD DEVELOPMENT

SCHEDULE A – NATIONAL GOVERNANCE

SCHEDULE B – STANDARDS, ASSESSMENT AND REGULATION

SCHEDULE C – TRANSITION ARRANGEMENTS

SCHEDULE D – FINANCIAL ARRANGEMENTS

SCHEDULE E – WORKFORCE MEASURES

SCHEDULE A – NATIONAL GOVERNANCE

The broad approach

1. The NQA will be a single, national unified system, with joint governance that allows the perspective of all jurisdictions to be taken into account in the operation of the system.
2. The relevant Ministerial Council, consisting of Commonwealth, State and Territory Ministers with responsibility for early childhood education and care, currently the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) will lead the implementation and administration of the NQA.
3. A new national body, with joint governance arrangements, will be responsible for guiding implementation of the national system. The national body will be directed by a board, which will report to the Ministerial Council.
4. Administration and enforcement activities in relation to the NQF will be undertaken by State and Territory regulatory agencies (accountable to State and Territory Ministers), guided by the national body.
5. The governance arrangements for the NQA have been designed with regard to the following principles:
 - a. a transparent, fair, accountable, efficient and effective system
 - b. streamlined governance arrangements, with clearly described roles, responsibilities, processes and powers
 - c. clearly described accountabilities, including for assessment and reporting
 - d. all jurisdictions have an active input into decision making, and maintenance and improvement of the system
 - e. a single NQF with a national assessment and rating methodology and process, to apply to all early childhood education and care and OSHC care services within the system
 - f. uniform administration and enforcement of the NQS
 - g. ongoing investment in and commitment to research and evaluation as an essential component of the system, to provide the evidence base for national decision making. Research and evaluation would take account of wider impacts and implications in addition to understanding trends in regulation against the NQS and approval to operate
 - h. integration of education and care
 - i. a continuous focus on quality improvement.
6. Underpinning the governance structure is the intention to reduce the administrative burden for early childhood education and care and OSHC care services, such that there is a significant reduction of regulation across government or sectors, and that individual services need to deal with only one organisation for regulation against the NQS.
7. Joint governance of the national system means that individual jurisdictions will not be able to change the NQF in isolation. Rather, amendments to the standard will be determined jointly through consideration firstly by the national body and secondly by the Ministerial Council.

8. During the transition phase, and consistent with the responsibilities set out in this National Partnership Agreement, a protocols framework between the Ministerial Council, the national body and State and Territory regulatory agencies will be developed to support the consistency, efficiency and effectiveness of the new regulatory system. The framework will:
 - a. guide the areas of interaction between the Ministerial Council, national body, and State and Territory agencies
 - b. support effective management and performance of the regulatory system in relation to both day-to-day operations and unpredictable or unforeseen circumstances.
9. Under the protocols framework, the Parties will employ a range of measures to give effect to the objectives at 8 (a) and 8 (b), including:
 - a. processes for the oversight and management of national consistency in the application and enforcement of the NQF by the Ministerial Council
 - b. a national audit schedule
 - c. processes for dispute resolution
 - d. performance standards for State and Territory regulatory agencies
 - e. guidance issued by the national body
 - f. communication protocols
 - g. information sharing
 - h. additional or alternative measures as determined by the Parties and the national body from time to time.

Management of the National Quality Framework by the Ministerial Council

10. A key objective of the NQF is to ensure all Australian children can have access to quality early childhood education and care services. In this respect, the Parties acknowledge the importance of administering the new NQS on a uniform basis across all jurisdictions.
11. The Ministerial Council will oversee and manage the uniform application of the NQF through the following process:
 - a. Cross-jurisdictional uniformity will be a standing agenda item of the Ministerial Council.
 - b. The chair of the national body will advise the Ministerial Council, on behalf of the national body, about any matters of concern in the administration of the NQF.
 - c. The Ministerial Council will consider the progress and status of the operation of the system as reported by the national body, and take action to address any issues or inconsistencies and support improvement of the system over time.

National audit process

12. A national audit process will facilitate the maintenance of a high level of inter-rater reliability and support national consistency in the application of the NQF.
13. The national body will determine and oversee an audit framework for State and Territory regulatory agencies, which will include regular and targeted audit activities.

14. The national body will determine whether audits are conducted by it, by a third party, or by another means (for example, peer review).
15. States and Territories agree to cooperate with the audit process, including by the provision of information.

Dispute resolution

16. Disputes are most likely to occur between:
 - a. a State or Territory agency and the national body
 - b. two or more State or Territory agencies
 - c. multi-jurisdictional providers and agencies in two or more jurisdictions regarding the consistency of approach between each jurisdiction's regulatory agency
 - d. single-jurisdiction providers and the regulatory agency in that jurisdiction.
17. Disputes of the kind described in clauses 16 (a) (b) and (c) are subject to the dispute resolution provisions of this National Partnership.
18. The national body or the Ministerial Council may determine procedures for establishing review panels to resolve disputes.
19. Disputes of the kind described in clause 16 (d) are the responsibility of the relevant jurisdiction.

Performance standards

20. The Parties may develop and agree national performance standards for State and Territory regulatory agencies to support national consistency of the administration of the system, including in approvals, assessments, ratings, audit, compliance and enforcement.
21. Any such standards will be endorsed by the Ministerial Council before coming into effect.
22. The Parties, with the assistance of the national body, will ensure that any standards developed are robust, consistent with best practice regulation, and do not create perverse incentives.

Guidance issued by the national body

23. The national body will consider the findings of audits and evaluate trends in the administration of the regulatory system across jurisdictions. The national body will draw on this work to inform and provide guidance to State and Territory agencies in their management of approvals, assessments, ratings, audit, compliance and enforcement.
24. The goal of any guidance issued by the national body will be to drive consistency, effectiveness and efficiency in the operation of the regulatory system.
25. States and Territories agree to respond through the Ministerial Council to any formal guidance issued to them by the national body through an agreed and established formal guidance process. States and Territories will advise the Ministerial Council by reporting how the guidance of the national body has been implemented.

Communication protocols

26. The Parties will agree communication protocols to facilitate efficient and direct communication between State and Territory agencies and the national body about day-to-day operational issues.

27. The Parties may develop a non-exhaustive list of such operational issues to provide greater clarity for operational staff.
28. Ministers and department heads retain discretion to seek greater involvement at particular times or in relation to particular issues.
29. The Parties will agree communication protocols to facilitate efficient management of critical incidents.
30. The Parties will agree protocols to manage public relations and community consultation. Such protocols may include:
 - a. responses to media or other public enquiries
 - b. requests by State and Territory agencies for guidance or policy input from the national body to inform responses to local issues
 - c. communication by State and Territory agencies of the results of local consultations to the national body, the Commonwealth and other States and Territories.

Information sharing

31. The legislation will set out a process for the free and open exchange of data and information required to support the NQF. In particular, the legislation will ensure all Parties to this Agreement will take all necessary steps to enforce that all data and information collected by State and Territory regulatory agencies about the national system are provided to the national body on request.
32. The legislation will also provide powers for State and Territory regulatory agencies to collect information from services within jurisdictions and provide it to the national body.
33. Parties will agree protocols to govern data management and sharing of information. Such protocols may be developed to support:
 - a. research and evaluation activities
 - b. inter-jurisdictional management and regulation of services
 - c. provision of data by providers to State and Territory regulatory agencies
 - d. provision of data by State and Territory regulatory agencies to the national body
 - e. permission to allow access to data by third parties
 - f. use of regulatory system data by individual jurisdictions for their own purposes or to provide to their own third parties.

The role for the Ministerial Council

34. The Ministerial Council will guide the implementation and operation of the NQA. The Ministerial Council will have responsibility for:
 - a. providing policy direction for the national body and the State and Territory regulatory agencies
 - b. overseeing the legislation to establish the national body, the NQF and the associated regulatory system, including approving legislative amendments

- c. overseeing the operation of the regulatory system including national uniformity in the application and enforcement of the NQF
 - d. following a process of consideration by the national body as described at 35(a) amending the NQF including:
 - i. reviewing, setting, changing and approving the standards
 - ii. reviewing, setting, changing and approving the rating levels.
 - e. overseeing this Agreement and recommending to COAG any changes to this Agreement
 - f. appointing members to the board of the national body and selecting the chair
 - g. appointing the chief executive of the national body
 - h. reviewing, setting, changing and approving the level of the national approval to operate fees for early childhood education and care and OSHC care services
 - i. reviewing, setting, changing and approving protocols and guidelines for the effective functioning of the NQF
 - j. reviewing, changing and approving the inclusion of new types of services within the NQF
 - k. commissioning an independent review of this Agreement for COAG consideration in 2014.
35. In regard to the national body, the Ministerial Council will:
- a. have the power to refer matters relating to the NQA to the national body for advice and will consider the advice provided by the national body when making decisions regarding the operation of the NQA
 - b. monitor and review the performance of the national body and agree to protocols about Ministerial intervention in the business of the national body.

The role of the national body

36. The new national body will have responsibility for guiding the implementation and management of the system and in particular:
- a. advising the Ministerial Council on the NQF (including any amendments for consideration) for implementing the NQA and for ensuring uniformity in the application and enforcement of the standards and ratings levels
 - b. determining the approval, rating assessment, audit, compliance and sanctions regimes
 - c. maintaining a national register of approvals, and keep national data on the assessment and regulation of services
 - d. undertaking broad research and evaluation activities
 - e. undertaking education and awareness raising amongst the sector and broader community
 - f. ensuring that the regulatory burden on early childhood education and care and OSHC services is minimised to the extent possible

- g. driving continuous quality improvement amongst early childhood education and care and OSHC care services.
- 37. The board of the national body will report to the Ministerial Council through the Chair and act in accordance with any policy directions from the Ministerial Council. The board, through the Chair, will be required to seek approval from the Ministerial Council concerning major policy decisions (for instance, changing the approval to operate fee).
- 38. The national body will be encouraged to engage with experts, services and stakeholders as required, and to ensure that authoritative advice can be provided to the Ministerial Council by the board. A more formal expert, service and/or stakeholder committee(s) could be considered at a later phase of operation of the national body, if determined by the Ministerial Council to be necessary.
- 39. The new national body will be fully operational by 1 January 2012.
- 40. The new national body will report every six months to the Ministerial Council during the implementation phase, and annually from 1 January 2016.

The board of the National Body

- 41. The board of the national body will be composed of 13 members:
 - a. one member will be nominated by each State and Territory
 - b. four members will be nominated by the Commonwealth
 - c. an independent chair, nominated by Ministerial Council by consensus.
- 42. Board members will be appointed by the Ministerial Council on a consensus basis, and will collectively have an appropriate mix of skills and experience. Appointments will be part time and for three years, with capacity for renewal. The enabling legislation for the NQA will set performance standards for board members.
- 43. When considering appointing members to the board of the national body, the Ministerial Council will ensure that there is an appropriate balance of professional skills and expertise related to:
 - a. assessment of quality
 - b. early childhood development
 - c. labour market and workforce participation and development issues
 - d. best practice regulation
 - e. financial management or economics
 - f. audit and corporate governance
 - g. research, evaluation and performance information.
- 44. A quorum for the board will be eight members, including the chair or deputy chair. Each member of the board will have one vote. Decisions will be taken by majority vote if a quorum is established, with the chair to have the casting vote in situations where a deadlock is reached.

45. Where decisions are in relation to recommendations being put to the Ministerial Council and there is not consensus amongst board members, the Ministerial Council should be advised in writing of the details and reasons underlying the disagreement.

The Chief Executive of the national body

46. The chief executive will be responsible for day to day operations, performance and financial management of national body.
47. The chief executive will report to the board and will be an ex officio member of the national body board without voting rights.
48. The selection of the chief executive for the national body will be undertaken through an open and transparent recruitment process, managed by external recruitment agency.
49. In the case of the first chief executive of the national body, a short list of applications will be considered by a committee of senior officials of the Commonwealth and States and Territories, who will make a recommendation to the Ministerial Council. The chief executive will be appointed by the Chair of the Ministerial Council on the basis of a consensus recommendation of the Ministerial Council, following consideration of the recommendations from the senior officials committee. The term of appointment will be three years, with capacity for renewal.
50. In the case of subsequent chief executives, following an open and transparent recruitment process the board of the national body will consider applications and identify a successful applicant, for endorsement by the Ministerial Council.

Role of State and Territory agencies

51. State and Territory Ministers will be responsible and accountable for the administration and regulation of early childhood education and care and OSHC care services. State and Territory agencies will be accountable to their State or Territory Minister. Any coercive powers associated with the enforcement of the National Quality Standard, will be undertaken at the State and Territory level.
52. State and Territory regulatory agencies will work in collaboration with the national body to:
 - a. manage assessment ratings, complaints and audit processes as well as compliance and enforcement of the national standard in a uniform manner under the guidance of the national body and as set out in the Guidelines for the NQS
 - b. undertake data collection, review and reporting of regulatory outcomes and operations and meet the data and reporting requirements agreed by the board of the national body, including for the purposes of audit, monitoring and public reporting
 - c. stakeholder engagement and education in collaboration with the national body.
53. A detailed description of the functional responsibilities associated with each level in the NQA governance hierarchy is at Annexure 1 to this Schedule.

Legislative framework

54. The NQF and associated regulatory system will be enacted through the legislation establishing the national system. The legislation will establish a single unified national system covering specified early childhood education and care and OSHC care services.

55. All Parties agree that a cooperative legislative model using an 'application of laws' approach will be used to confer the relevant administrative and coercive functions (including licensing — which becomes an 'approval' to operate under the NQA — and assessment against the national standard) on State and Territory agencies and officials.
56. The substantive provisions of the national applied laws legislation will be enacted by a host jurisdiction and other States and Territories will then also commit to enacting legislation to incorporate the national applied laws legislation by reference, with the exception of Western Australia which would pass its own corresponding legislation, so as to permit the national system to be established on 1 January 2012.
57. The legislation will establish the new system, its governance arrangements, and other powers. The objectives and guiding principles of the NQF and the seven quality areas of the NQS will be incorporated within an overarching Act. Subject to legal and drafting advice, the Act will detail requirements for the system, including:
 - a. preliminaries, including: title; commencement date; principles guiding decision making; purpose and scope; definitions; and subsequent amendments to the legislation
 - b. State and Territory regulatory administration, including functions and powers of regulatory agencies such as:
 - i. public accountability for the regulation of early childhood education and care and OSHC care services against the national standard
 - ii. powers to grant and revoke approvals and impose conditions on approvals
 - iii. access to services to assess the fitness and propriety of operators and persons managing a service
 - iv. access to agreed information from services on the operation of the system
 - v. maintaining a register of approved services and family day carers
 - vi. power to publish compliance and other information about services (including a service's rating)
 - vii. access by authorised officers to enter premises, inspect and remove documents and other equipment or items and issue non-compliant operators with a 'notice to comply'
 - viii. power to interview educators, staff, managers and family day carers about compliance matters or incidents at the service
 - ix. power to prosecute services for breach or impose own sanctions
 - x. power to remove children at risk of harm or in an emergency
 - xi. power to administer the Act
 - xii. appeal rights and procedures
 - xiii. penalties for breach, including: failure to adequately supervise children; using inappropriate discipline on a child; failure to take every reasonable precaution to protect children from hazards and failure to provide each child with an appropriate education program.
 - c. Ministerial Council, including: public accountability for the NQF; responsibility of State and Territory Ministers; relationship between the Ministerial Council and the national body; relationship between the Ministerial Council and State and Territory regulatory agencies; powers of the Ministerial Council

- d. national body, including the establishment, staffing and role of the national body; membership and appointments (term of appointment; acting appointments; disclosure of interests; remuneration; leave; resignation; termination); board procedures (convening of meetings; chair; quorum; voting; decisions out of session; procedural matters); relationship of the national body with regulatory agencies; reporting requirements; reporting to the Ministerial Council and to regulatory agencies; and financial management
 - e. chief executive of the national body, including: establishment; appointment; acting arrangements; outside employment; and remuneration, leave, disclosure of interests, resignation, termination
 - f. staff, consultants and committees, including arrangements for secondments, consultants, committees
 - g. other matters, including: taxation; constitutional operation; regulations under the Act; and relationship to Commonwealth Family Assistance legislation and other legislation.
58. The Act will be supported by Regulations. The Regulations will include matters related to detailed implementation of the NQF and matters that require flexibility and responsiveness. The Regulations will outline the requirements to meet the standards and elements across the seven quality areas and will include schedules, which prescribe detailed regulatory requirements.
59. Each Regulation will be contemplated by the Act and within the power conferred by the Act, including matters relating to detailed implementation of policy, for instance staff to child ratios and staff qualifications; ensuring educators work directly with children; record keeping; nutrition; child protection; suitability of buildings and environment for purpose
60. The Act will make it clear that the Freedom of Information Act and the relevant privacy regime of the establishing jurisdiction will apply to the national body notwithstanding that it may be located, or that its functions may be carried out, in another jurisdiction. The Act will also provide powers for the national body to collect information from jurisdictions and providers within jurisdictions.
61. All Parties recognise that during the transition phase, and to support the new NQF, there will be a need to share information. As such, the Parties agree to cooperate and take all reasonable steps to ensure necessary information can be shared within the parameters of their respective jurisdiction's legislative framework, including relevant privacy regimes.
62. The Australasian Parliamentary Counsel's Committee (APCC) will be responsible for the drafting of the national applied laws legislation and State and Territory Governments will submit to their respective Parliaments whatever Bill or Bills are needed to achieve a national system. A steering committee, to be determined by the Ministerial Council, will work with the APCC on the development of the legislation and Bills.
63. The State of Victoria will host the national applied laws legislation to give effect to the NQF, which will be subject to the approval of the Ministerial Council. Once approved by the Ministerial Council, the State of Victoria will take the lead in enacting the legislation to establish the national system.
64. The host jurisdiction will be required to share any statutory reports about the national body under the host jurisdiction's applicable legislation, such as audit and financial reports, with all jurisdictions.
65. The State of Western Australia will, as soon as reasonably practicable, enact corresponding legislation in corresponding terms to the template legislation, so as to permit the national system to be established on 1 January 2012. The States of New South Wales, Queensland, South Australia, and Tasmania, and the Australian Capital Territory and the Northern Territory, will, as soon as reasonably practicable following passage of the Victorian legislation, use their best endeavours to enact legislation in their jurisdictions applying the law of Victoria as a law in their jurisdictions, so as to permit the national system to be established from 1 January 2012.

66. The Commonwealth, and each State and Territory will commit to repeal or amend any relevant existing legislation which covers the regulation of early childhood and care services that are subject to the new national system.
67. Each of the Parties will commit to repeal, amend or modify any other legislation which is inconsistent with or alters the effect of the national applied laws legislation to establish the NQF.
68. All Parties agree that the Bill or Bills they submit to their own legislature will be consistent with the national applied laws legislation and will not be inconsistent with, or alter the effect of, the host jurisdiction's legislation to implement the NQF.

The process for amendments to the National Quality Framework or legislation

69. Any of the members of the Ministerial Council may propose amendments to the NQF or legislation, by communicating the proposed amendments and the justification for seeking them in writing to the other members of the Ministerial Council and to the national body. The Ministerial Council will decide whether to refer the proposal to the national body. The national body may also consider amendments to the NQF at its own initiative, subject to the objectives and principles of this Agreement. Endorsement of any changes to the NQF is required to be made by the Ministerial Council.
70. Following a request from the Ministerial Council or based on a recommendation made by the national body to the Ministerial Council and agreed by the Ministerial Council, the board of the national body will examine and consider any proposed amendments in accordance with the objectives and principles as specified in the Agreement and legislation, including consideration of the impact on the following areas:
 - a. educational and development outcomes for children attending early childhood education and care and OSHC services under the NQA
 - b. costs to parents and carers and impact on their workforce participation
 - c. costs and regulatory burden for early childhood education and care and OSHC service providers
 - d. costs to governments.
71. The board of the national body must facilitate the assessment and discussion of the proposed amendment(s) with all jurisdictions. If a preliminary assessment reveals that a proposed regulatory change will affect a large number of businesses or individuals, or involve a non-negligible cost to businesses, a detailed analysis must be undertaken and documented in a Regulation Impact Statement.
72. The board of the national body on behalf of all jurisdictions will communicate and provide advice to the Ministerial Council about the proposed amendments and their justification. As part of this process, the national body will provide advice to the Ministerial Council about the details and reasons for any disagreement among jurisdictions about the proposed amendment(s) or their assessed impacts.
73. The Ministerial Council will consider any proposed amendments in accordance with objectives and principles in the Agreement and legislation (including their regulatory impact on service providers, parents, children and government), and agree to such amendments as it sees fit.
74. Agreement by the Ministerial Council relating to decisions about the NQF or legislation will be by consensus. Where the Ministerial Council has not been able to reach consensus on a recommendation from the board of the national body about an amendment to the legislation within 90 days of the receipt of the proposed amendments, the majority of jurisdictions may agree to the public disclosure of the advice from the board.
75. If the agreed amendments require legislative change, the host jurisdiction will:

- a. seek agreement by all jurisdictions on the text of the amendments through the board of the national body and the Ministerial Council;
 - b. submit to its own Parliament a Bill, in a form agreed by the Ministerial Council, which has the effect of amending the legislation in the manner agreed; and
 - c. take all reasonable steps to secure passage of the Bill and bring it into force in accordance with a timetable agreed by the Ministerial Council.
76. Once the amendment is passed through the Parliament of the host jurisdiction, the legislation of all other States and Territories will automatically be amended, with the exception of Western Australia. The State of Western Australia will, as soon as reasonably practicable, commit to enact corresponding legislation in consistent terms to bring the agreed amendments into force to ensure ongoing consistency with the NQF.
77. Where a jurisdiction wishes to introduce a specific amendment relevant to its jurisdiction, then it should inform the Ministerial Council. Should this matter be more broadly applicable in other jurisdictions, the Ministerial Council could resolve to amend the National Quality Standard. In cases where such a specific matter is not more broadly applicable to all jurisdictions, the Ministerial Council can agree that the National Quality Standard be amended by the host jurisdiction to address the matter in location-specific terms.
78. If the issue has a substantial impact on cost drivers for services, the Commonwealth must agree to the proposed amendment.
79. Such an amendment to the National Quality Standard would be subject to a review every two years by the Ministerial Council to determine whether it remains necessary.

SCHEDULE A / ANNEXURE 1 – FUNCTIONAL RESPONSIBILITIES**Ministerial Council - functions and decision making responsibilities**

Functions	Decisions
1. Oversight of the National Partnership	1.1 Recommend to COAG changes to the National Partnership
	1.2 Monitor and review the national body's performance and agree any protocols about Ministerial intervention in the system as captured in legislation
2. Oversight of national quality legislation	2.1 Monitor and approve legislative amendments to the system
3. Providing direction to the national body and regulatory agencies	3.1 Plan, determine, oversee, review the strategic policy direction of the national body and state and territory regulatory agencies
	3.2 Appointment of the board of the national body
	3.3 Sign off on national policy and request policy advice from the board
	3.4 Request the national body or state and territory regulatory agencies to undertake work for specific policy initiatives related to the quality of early childhood education and care and OSHC care services
	3.5 Process for reporting to the Ministerial Council and the content of the report
4. Setting of standards	4.1 Review, approve, set, change national standards for relevant services
5. Setting of approval to operate fees	5.1 Review, approve, set, change approval to operate fees
6. Setting of rating levels	6.1 Review, approve, set, change ratings levels
7. Setting of protocols/Guidelines	7.1 Review, approve, set, change protocols and guidelines for the effective functioning of the system

National Body – functions and decision making responsibilities

Functions	Decisions
1. Advice to the Ministerial Council	1.1 Policy advice and recommendations regarding amendments to the NQF (standards, fees, rating system) in response to data analysis, research, consultation and policy review
	1.2 Report to the Ministerial Council
	1.3 Advice on the performance of the NQF
2. Oversight of national approach	2.1 Audit and review of the national standards, ratings system and fees, and the performance of State and Territory regulatory agencies
	2.2 Process for inter-rater reliability, ongoing moderation of assessment and ratings to assure consistency and service excellence
	2.3 Advice to the Ministerial Council on guidelines and protocols for interaction between the national body and regulatory agencies including such matters as response to issues by Ministers, performance standards, dispute resolution and consequences of non-compliance
	2.4 Determine the qualifications, skills and experience of regulatory officers, including maintaining a register of acceptable qualifications for teachers
	2.5 National professional development focus and support for training of staff in regulatory agencies
	2.6 National communication mechanisms
	2.7 Establishing a fee collection process*
3. Research and policy development	3.1 Evaluation and research focus including a focus on best practice and workforce
	3.2 Improving policy and operation of ECEC services through analysis of data on the standards, ratings and non-compliance
4. Data collection, evaluation and reporting	4.1 Process for developing and maintaining registers/comprehensive national data collections and systems
	4.2 IT systems development and maintenance
	4.3 Publishing information about ratings
	4.4 Reporting to regulatory agencies and the Ministerial Council
5. Education and engagement	5.1 Provide and deliver national public education and engagement in the NQF
	5.2 Provide guides and resources to support the sector to understand and implement the standards in a consistent manner
	5.3 Provide guides and resources to support parents and the broader community to understand ECEC quality
	5.4 Reduce information asymmetries in the ECEC sector by facilitating better informed parent choice
	5.5 Establish communication protocols between state/territory agencies and the national body

6. Management of the national body	6.1 Management of national body staff including workplace relations policies and requirements, setting pay and conditions, recruitment and determining staff qualifications
	6.2 Appointment of the CEO
	6.3 Operational management of the national body including financial management and accountability

* In relation to the approval to operate fee collection process, this will be considered in light of developing an information technology system to support the NQA.

Chief Executive – functions and decision making responsibilities

Function	Decisions
1. Leadership and management of the national body	1.1 Management of and accountability for the operations of the national body
	1.2 Management of national body staff including workplace relations policies and requirements, setting pay and conditions, recruitment and determining staff qualifications
	1.3 Interaction with regulatory agencies
	1.4 Transparent financial management and accountability
	1.5 Management of the approval to operate register and national data system
	1.6 Sign-off on advice and reports to the Ministerial Council
2. Stakeholder education and engagement	2.1 Communication with stakeholders aligned with the national body and targeted campaigns which respond to systemic issues
	2.2 Leadership of professional development activities
	2.3 Approach to supporting continuous improvement in the delivery of quality early childhood education and care and OSHC care services

State and Territory agencies – functions and decision making responsibilities

Function	Decision
1. Managing approval to operate, assessment, ratings, audit, compliance and sanctions in line with national agreement to achieve national uniformity	1.1 Administration and enforcement of the national quality standards for early childhood education and care consistent with nationally agreed protocols and guidelines
	1.2 Approval to operate process including enforcement and compliance activities consistent with agreed nationally agreed protocols and guidelines
	1.3 Assessing and rating service providers according to nationally agreed protocols and guidelines, and forwarding to the national body
	1.4 Administrative review and appeals mechanisms in accordance with nationally agreed protocols and guidelines
	1.5 Receipt and investigation of complaints against approval holders and individual services in accordance with nationally agreed protocols and guidelines
	1.6 Prosecution where indicated

2. Data collection, review and reporting	2.1 Data collection to support regulation as agreed including sharing of data for registers and comprehensive national data collections maintained by the national body
	2.2 Working with regulatory agencies and the national body to improve the operation of ECEC services through analysis of data on the standards, ratings and non-compliance
	2.3 Report to the national body, government and the public
3. Leadership and management of the Regulatory agency	3.1 People management including workplace relations policies and requirements, setting pay and conditions, recruitment and determining staff qualifications
	3.2 Transparent financial management and accountability
4. Education and Engagement	4.1 Support the national body in public education and engagement within the jurisdiction
	4.2 Use of guides and resources developed by the national body to support the sector to understand and implement the standards in a consistent manner
	4.3 Use of guides and resources of the national body to support parents and the broader community to understand ECEC quality
	4.4 Utilise communication protocols and guidelines agreed between state/territory agencies and the national body

SCHEDULE B – STANDARDS, ASSESSMENT AND REGULATION

The National Quality Standard

1. The NQS comprises quality areas, standards and elements. There are seven quality areas in the standard, which capture aspects critical to the provision of quality early childhood education and care and OSHC care services, including educational concept and practice, structural quality, interactions between educators and children and targeting services to meet the needs of families and local communities.
2. The quality areas are:
 - a. Educational program and practice
 - b. Children's health and safety
 - c. Physical environment
 - d. Staffing arrangements, including staff to child ratios and qualifications
 - e. Relationships with children
 - f. Collaborative partnerships with families and communities
 - g. Leadership and service management.
3. Each individual quality area contains a number of standards, which are high level outcome statements. The NQS contains 23 standards with between two and six standards for each quality area. Under each standard sits elements. The NQS is the totality of the quality areas, the standards and the elements.
4. The NQS promotes high-quality care and focuses on supporting high-quality outcomes for children. It is designed to facilitate continuous improvement and be simple to understand and administer. The full NQS is at Annexure 1 to this Schedule.
5. The NQS includes two prime structural indicators of quality of care: staff to child ratios and the educational qualifications of the workforce. There is a large body of evidence that suggests smaller ratios and more qualified staff are key drivers of quality early childhood education and care. The standard aims to achieve access to high-quality services by improving these critical indicators.
6. With respect to the educational qualifications of the workforce and the requirement to engage a second early childhood qualified teacher position for services that have between 60-80 or over 80 children on any day, it is agreed to undertake a pilot to assess the effectiveness of alternative early childhood professionals, including Maternal and Child Health nurses, undertaking a second leadership position in selected services with a report back on this by 2014.
7. The NQS at Annexure 1 of this Schedule also includes a definition of a preschool program. Services that comply with this definition will be able to describe themselves as having a certified preschool program under the NQS.

8. The NQS will be subject to field testing and targeted consultation prior to finalisation. This process will focus on technical issues in the application of the NQS and will not be a vehicle for considering changes to the key structural components of quality included in the standards, particularly in relation to staff-to-child ratios and staff qualifications. The Ministerial Council will consider any refinements to the standards in line with the processes set out in the National Partnership.
9. The Ministerial Council will further develop the guidelines that underpin the National Quality Standard to ensure that the final agreed guidelines meet the objectives of the scheme, including incorporating best practice principles that minimise paperwork and the regulatory burden on services.

Assessment of standards

10. The NQS will apply to LDC, FDC, Preschools and OSHC. While requirements for staff to child ratios and staff qualifications have been set for LDC, FDC and Preschools, no changes to staff to child ratios or staff qualifications have been made to OSHC under this Agreement.
11. For new services, following an approval to operate being granted, assessment against the NQS and allocation of a rating would occur within 3 to 6 months.
12. For all services, full assessment will require the submission a Quality Improvement Plan. The Plan will outline how a service is (or is not) meeting the NQS. Assessment by an appropriately qualified assessor, against all the elements of the NQS will be conducted at the site level. Post-assessment written advice will be provided to service providers. Where providers are delivering several types of service at the same site (for example LDC, OSHC) a single assessment will cover all elements of NQS. This assessment will form the basis of a service's ratings.
13. Under the NQA services need to meet:
 - a. all elements within a standard in order to meet that standard
 - b. all standards within a quality area in order to meet the National Quality Standard for that quality area.

The National Quality Framework (NQF)

14. The NQA combines the NQS with a rating system. The NQF will provide a national approach to the assessment and reporting of the quality of early childhood education and care and OSHC care services across the variety of service settings. The system combines the seven quality areas with a five-point scale rating system to describe the quality of early childhood education and care and OSHC care services.
15. The five level rating system has the following levels which will be enshrined in the legislation and which must be used and applied by the national body and State and Territory regulatory agencies:
 - a. Unsatisfactory: indicates that a service is not meeting the NQS and the regulator is working closely with the service to immediately improve its quality, otherwise the centre will need to be closed.
 - b. Operating Level: indicates that a service is working towards meeting the NQS. New services will commence operation with an Operating Level rating.
 - c. National Quality Standard: indicates that a service is meeting the NQS.
 - d. High Quality: indicates that a service is exceeding the NQS.
 - e. Excellent: indicates that a service demonstrates excellence and is recognised as a sector leader.

16. The allocation of a rating will occur following assessment against the NQS. Each service will receive an overall rating and a rating for each of the seven quality areas. This will provide parents with a comprehensive understanding of the quality of a service. It will also allow services to highlight areas where they perform well, even when they may be unable to meet a standard in some quality areas.
17. All services will be required by legislation to prominently display their approval to operate and rating information (across the seven areas and the overall rating). A comprehensive listing of service ratings will also be available on the Commonwealth's MyChild website and a site to be developed by the national body.
18. The overall rating would be determined on the following basis:
 - a. in situations where a service receives any rating for a quality area of unsatisfactory or operating, the lowest rating would be the overall rating
 - b. in situations where the service receives all quality area ratings at the national standard level, the overall rating would be national standard
 - c. in situations where the service receives all seven quality area ratings at the national standard or high quality level, the overall rating would be national standard if only three or fewer ratings are at the high quality level
 - d. in situations where the service receives all seven quality area ratings at the national standard or high quality level, the overall rating would be high quality if four or more ratings are at the high quality level, and two of these are from the following four quality areas: Educational programs and Practice, Relationships; Collaborative Partnerships; Leadership and Management. These four areas capture the qualitative areas rather than the structural elements of quality.
19. In order to achieve a rating of high quality in the educational program and practice quality area a service must provide access to a preschool program as defined in Annexure 1 to this Schedule, either directly or through a nearby provider that can offer satisfactory arrangements to manage the transfer of children.
20. Services will need to apply to be assessed against the excellent rating, through a process to be determined by the national body.
21. Service ratings in the ratings framework and other terminology included in the NQS, including a 'certified preschool program', will be protected from misuse.

The legal framework

22. A legal framework, incorporating an Act, Regulations and Schedules will support the introduction of the National Quality Standard. The seven quality areas, the 23 standards and the elements will be incorporated into legislation. The final detail of the NQS will be determined following consultation with the early childhood education and care and OSHC care sector.
23. The Act will detail requirements for the system, including: guiding principles; matters of substance or important procedural matters (e.g. powers to enforce compliance, appoint an administrator; power to approve services to be able to operate; to enter services; for all services to participate in the rating system; appeal processes); aspects relating to a significant question of policy; matters which have a significant impact on individual rights and liberties; areas where significant penalties may be imposed; and power to fund and describe entitlement to Commonwealth or State funding (e.g. Child Care Benefit or preschool funding).
24. Regulations will be contemplated by the Act and within the power conferred by the Act. The regulations will include matters related to detailed implementation of the NQS and matters that require flexibility and responsiveness. The Regulations will outline the requirements to meet the standards and elements

across the seven quality areas and will include schedules which prescribe detailed regulatory requirements.

25. Guidelines will not be legislated and will provide further information and clarify interpretation of the requirements set out in the Act and Regulations. They will provide information to both the service provider and staff about best practice, meeting the standards, and more detail on implications of the standards for particular services types.
26. The standards, regulations and schedules will be the enforceable components of the NQS. Both qualitative and quantitative aspects of the NQS will be enforced. Stronger penalties will be attached to the requirements or offences contained in primary legislation.

Frequency of assessment, earned autonomy and risk profiling

27. The frequency of assessment will be dependant on the principle of earned autonomy and on risk profiling. As a consequence, the number and frequency of visits will be dependant on a service's record, its rating and any events associated with a risk or change in practice that indicate a service might not be meeting the NQS.
28. The following table indicates the expected frequency of assessments within the new system.

Service Rating	Frequency of assessment	Requirements for reporting/ visits
Excellent	<ul style="list-style-type: none"> • On application – through award for a period of 3 years 	<ul style="list-style-type: none"> • Submission of application
High Quality or better service	<ul style="list-style-type: none"> • Every 3 years for a full assessment 	<ul style="list-style-type: none"> • Notification of any identified events • Submission of Quality Improvement Plan prior to assessment • Quality Improvement Plan to be available at the service • Spot checks • Targeted campaign visit
National Quality Standard	<ul style="list-style-type: none"> • Every 2 years for a full assessment 	<ul style="list-style-type: none"> • Notification of any identified events • Quality Improvement Plan to be available at the service • Submission of Quality improvement plan prior to assessment • Spot checks • Targeted campaign visit
Operating level	<ul style="list-style-type: none"> • For new services a site visit before service is approved. Additional visit after 3 months and 	<ul style="list-style-type: none"> • Notification of any identified events • Quality Improvement Plan to be available at the service

	<p>before 6 months</p> <ul style="list-style-type: none"> • For existing services minimum of one visit per annum for a full assessment • Services not meeting the NQS may require more frequent visits 	<ul style="list-style-type: none"> • Submission of Quality Improvement Plan prior to assessment • Spot checks • Targeted campaign visit
Unsatisfactory level	<ul style="list-style-type: none"> • Services will be visited more frequently 	<ul style="list-style-type: none"> • Sanctions/closure will be considered • Improvement plans

29. Events that require notification to the regulatory authority, as they are indicators of a potential change in a service's quality and may be a cause for reassessment against the NQF, include:
- change of approval holder
 - change of primary contact/person in charge for service site
 - a health and safety incident
 - complaints about the service
 - notifiable breach of the NQS
 - change to the premises or operating requirements
 - advice from other authorities regarding matters of fraud, Child Care Benefit compliance, food safety, child protection, occupational health and safety, police involvement.
30. When responding to a notification, the regulatory authority will prioritise reassessment where a event is of a more serious nature, for example, where there has been serious complaints or incidents affecting the safety of children. Such circumstance should prompt an immediate visit whilst major changes to staffing or changes in proprietor will prompt a visit within a prescribed, though less urgent, period.

Quality Improvement Plans

- All services will be required to update their Quality Improvement Plans annually and to hold these on site and available for review at any visit to the service.
- Services at Operating level will submit their Quality Improvement Plan annually to the regulator, prior to full assessment.
- Services at the National Quality Standard level will submit their Quality Improvement Plan every two years prior to full assessment.
- Services at High Quality level would be required to submit their Quality Improvement Plans prior to full assessment at three years.

The new regulatory system

35. The new national regulatory system will have joint governance with the national body guiding the implementation and management of the system and State and Territory regulatory agencies administering the NQS. It is an integrated national system, designed to remove duplication of regulation across levels of government and across service types.
36. Further detail on the governance arrangements underpinning the NQA, including functions and responsibilities, is provided at Schedule B.
37. The new regulatory system will have the following characteristics:
 - a. it will be responsive and strategic with a clear set of objectives
 - b. it will incorporate a comprehensive range of support, education and compliance tools to facilitate quality improvement
 - c. it will involve families and enable them to actively participate as partners in the new system
 - d. it will enforce compliance where required.
38. Under the new system, the primary regulatory relationship is between the State or Territory regulatory agency and the legal entity that is responsible for the early childhood education and care and OSHC care service.
39. Currently early childhood education and care and OSHC services are subject to a range of legislative, regulatory funding and other frameworks. Under the NQA operating standards for ECEC services and OSHC will be stipulated exclusively in the National Quality Framework, with the exception of public health requirements. Teacher registration will continue through jurisdictional processes. This will be reviewed as part of the broader review of this agreement in 2014, taking into account MCEECDYA's consideration of national teacher registration. The consideration of any basic operating standard for any category of early childhood education and care and OSHC care service that sits outside the NQS will require the agreement of MCEECDYA. Jurisdictions retain discretion regarding the amount of ECEC services each chooses to purchase and the level of subsidy or price paid for that service.

Approval to operate

40. Where services satisfying the requirements of the NQS, an approval to operate will be issued without a fixed term of approval.
41. For centre based services (LDC, Preschool, OSHC), an approval will be issued once, nationally, enabling a provider to potentially operate many services across multiple jurisdictions. The service manager, or person who has on-site responsibility, will also be subject to approval as will the service's venue and operations.
42. For FDC, schemes (rather than individual services) will be approved. The ratings framework will also be applied at the scheme level. FDC carers will be involved in the standards assessment process, for instance, a selection of carers will be visited for assessment purposes, but will not be individually rated.
43. A national and consistent approval to operate fee structure will apply to all early childhood education and care and OSHC care services that are regulated under the NQF. This includes all service types covered by the national system and all provider types, including government providers.
44. The fees collected will be used to offset the overall costs of the new regulatory system.
45. In determining the final fee structure, the following criteria will be applied:

- a. Level of fees: that the fee levels are sufficient to raise the desired revenue stream, but are reasonable having regard to the level of cost they impose on business and recognise that early childhood education and care and OSHC care services deliver a public good.
 - b. Efficiency: generally, fees that reflect the cost of the services offered promote economic efficiency by providing accurate price signals to consumers of the services.
 - c. Vertical equity: this is the principle that those with greater capacity to pay should bear a greater proportion of the cost of services.
 - d. Horizontal equity: in the context of fees, this is the principle that those who use regulated products should bear the costs.
 - e. Simplicity: or the ease with which relevant fees can be identified (by services) and administered (by the regulator).
 - f. Certainty/predictability of fees/revenues: certainty with regard to costs is an important factor for services. As well, a predictable revenue stream is an important consideration for the regulator.
46. Transactions which will attract a fee include:
- a. annual service approval to operate fee
 - b. a new national provider approval to operate application
 - c. a new service application
 - d. a transfer of ownership of an existing service
 - e. a request for a rating assessment (in addition to the scheduled rating assessment)
 - f. provision of tailored information by regulator about the sector, over and above what is publicly available.

Regulation of preschool

47. There will be one NQF for all ECEC services. That is, all ECEC services, including preschools, will be regulated and assessed according to the NQF. As is the case for other ECEC services, the regulation of preschool quality will be subject to the direction of the national body, including for the purposes of auditing, monitoring and public reporting.
48. Parents in all jurisdictions will have access to the same information on the quality of all ECEC services, including preschools, across Australia.
49. The new unified system should aim to support and develop links and consistency between:
 - a. services for preschool aged children and full-time education delivered through schools, and
 - b. preschool and other ECEC services.
50. The aim of the new system is also to minimise the regulatory burden on organisations providing ECEC, including LDC, FDC, OSHC and Preschool.
51. The new NQF should be delivered by Governments in the most effective, efficient and cost-effective way.

52. Within the unified national system, each jurisdiction will be responsible for the administration of regulatory functions underneath the guidance of the national body and will identify a lead agency within that jurisdiction to perform this function.
53. In jurisdictions where preschool is currently delivered by government or through non-government school there will be an option of administering the NQF through existing government quality assurance processes with respect to preschools. This will only occur where these processes have not been delegated to other entities to self-regulate.
54. Preschool quality assurance processes will administer the NQF under the direction of the Ministerial Council, as described in the national body protocols and guidelines, and in a manner consistent with the broader administration of the NQS. Preschools, as with other early childhood education and care services, will use agreed processes, and be subject to transparent accountability processes, including auditing, provision of data to the national body and public reporting. Data will be provided to the national body through the lead agency identified in each jurisdiction.
55. Where regulation of preschools and child care is currently separate in jurisdictions, and schools directly provide early childhood education and care services those jurisdictions will, over time, strive to:
 - a. move to have a single regulator for ECEC services, or limit the number of regulators
 - b. regulate any other ECEC services that are directly provided by schools.
56. Any cost over and above the efficient cost of regulation, based on a single regulator in each jurisdiction, will be met by each jurisdiction.
57. A review in January 2014 will examine among other things:
 - a. mechanisms to encourage the separation of regulation from service provision,
 - b. the most effective way to move towards streamlined regulatory arrangements for preschools and other ECEC services over time, and
 - c. progress towards uniform teacher to child ratios for preschool programs.
58. Where a preschool program is being offered in a composite class in a school setting and there are more than five preschool children enrolled at the school, the program would be assessed against all areas of the NQS. However, if the service does not meet ratios and physical environment requirements the service would be deemed to comply with the NQS. Where a preschool program is being offered in a composite class in a school setting and there are five or fewer preschool children enrolled at the school, the preschool program would be considered out of scope and not assessed against the NQS, with existing school regulations and quality assurance processes to continue to apply.

Compliance and sanctions

59. The NQA incorporates a responsive regulatory model. Responsive regulation enables the regulator to respond strategically and in accordance with perceived risk.
60. A range of tools will be developed to support regulators to respond swiftly, proportionately and effectively to different types of non-compliance. The 'toolkit' for the new system will include the following methods:
 - a. guidance and education
 - b. monitoring, including the strategic use of announced and unannounced inspection visits, audits, desktop analysis and targeted campaigns.

- c. directed compliance; including issuing compliance notices and the imposition of approval conditions
 - d. reactive compliance
 - e. information based; including public registers of regulatory information (for example, each service's rating results, approval details for each service, history and reasons for inspections etc) and registers of completed significant enforcement actions, including a register of compliance information at the local service level
 - f. administrative enforcement; including issuing Penalty Infringement Notices, written enforcement undertakings and the cancellation or revocation of an approval to operate
 - g. criminal prosecutions.
61. In determining how strategies are applied, the regulator will consider a provider's attitude to compliance and quality improvement, compliance and quality history and the potential risks to children posed by the service.

Exemptions, interim approvals and deemed compliance

62. The new regulatory system will include interim approvals and deem some services to comply with requirements under the NQS. Interim approvals and deemed compliance are limited to the Staffing Arrangements and Physical Environment quality areas on a case by case basis.
63. An 'interim approval' could be granted for a specific and time-limited duration in instances where a service is not meeting the NQS. For example, a metropolitan service could request an interim approval from indoor space requirements while a renovation is underway, so as to prevent some children from being temporarily removed from the service. As such, the interim approval will denote a situation where the regulator has temporarily approved a service to operate notwithstanding that it does not comply with all requirements under the NQS. Services requesting interim approvals will be expected to develop an action plan to address non-compliance issues and provide evidence that action has or is being taken to meet the NQS. Services with interim approvals will be rated as Operating level in the quality area to which the interim approval applies.
64. Alternatively a service could be deemed to comply with the intent of the NQS because, for example, its facilities are fit for purpose, such as remote services using enclosed verandas as part of their indoor space. In the case of deemed compliance, services will be considered to be meeting the NQS. In contrast, an interim approval is an indication that a service is not currently meeting the NQS.

Grandfathering

65. There are some areas where state-based standards are currently higher than the proposed NQS, are to be 'grandfathered'. These are:
- a. a staff to child ratio of 1:10 for children 36 months to school age will be retained in New South Wales, Tasmania and Western Australia where this ratio currently applies, instead of the NQS of 1:11
 - b. a staff to child ratio of 1:4 for 25 – 35 months age group will be retained in Victoria where this ratio currently applies, instead of the NQS of 1:5
 - c. the current requirements for a second teacher in New South Wales for centres with greater than 40 children, and a further teacher for every 20 children thereafter will be retained
 - d. the requirement in Victoria for all LDC centres and preschools with less than 25 children to have a qualified early childhood teacher 50 per cent of the time or 20 hours per week will be retained.

66. In addition, several jurisdictions will continue to require higher teacher to child ratios in their preschool programs than those proposed for the NQS. These requirements are outlined at Annexure 1, Schedule B of this Agreement.
67. Services licensed in Queensland by 1 January 2011 that can justify a need to use a staff to child ratio of 1:5 for a group of children aged 15-36 months will be deemed to comply with the NQS staffing ratios. This arrangement will expire on 31 December 2017. All Queensland services will be expected to be compliant with the NQS staffing ratios from 1 January 2018.
68. The review of the agreement in 2014 will include consideration of available evidence and analysis to determine if there are any remaining difficulties in Queensland in relation to the interaction between NQS staff to child ratios and existing infrastructure.

IT System

69. All parties to the agreement have recognised the importance of having a shared national Information Technology (IT) system to support the delivery of the NQA. A national IT system would support the goal of removing regulatory inconsistencies across jurisdictional borders and create a more efficient, cohesive and streamlined environment for business activity. The system would support communication between the various parties including States and Territories, early childhood education and care and OSHC care services, the Commonwealth and parents and families.
70. The Commonwealth, State and Territory Governments and other key stakeholders will work collaboratively to investigate the options for developing and implementing a national IT system to meet the business requirements of the NQA.

SCHEDULE B / ANNEXURE 1 – NATIONAL QUALITY STANDARDS

This annexure sets out the detail of the National Quality Standards.

The NOS will be subject to field testing and targeted consultation prior to finalisation. This process will focus on technical issues in the application of the NOS and will not be a vehicle for considering changes to the key structural components of quality included in the standards, particularly in relation to staff-to child ratios and staff qualifications. The Ministerial Council will consider any refinements to the standards in line with the processes set out in the National Partnership.

The Ministerial Council will further develop the guidelines that underpin the National Quality Standard to ensure that the final agreed guidelines meet the objectives of the scheme, including incorporating best practice principles that minimise paperwork and the regulatory burden on services.

NATIONAL QUALITY STANDARD

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Background

In December 2009, the Council of Australian Governments (COAG) agreed to a partnership between the Commonwealth and state and territory governments to establish a rigorous National Quality Agenda for early childhood education and care. The National Quality Agenda forms part of a broader COAG agenda to pursue substantial reform in the areas of education, skills and early childhood development, to deliver significant improvements in human capital outcomes for all Australians.

The Commonwealth and State and Territory Governments recognised the importance of increasing their focus on the early years to ensure the wellbeing of children throughout their lives and to lift the productivity of our nation as a whole. The drive for change in the early childhood sphere is based on clear evidence that the early years of a child's life are very important for their present and future health, development and wellbeing.

In July 2009, COAG endorsed Australia's first ever overarching national strategy for early childhood development. *Investing in the Early Years: A National Early Childhood Development Strategy* provides a blueprint for the future. It outlines a shared vision for the development of young children in Australia - that by 2020 'all children have the best start in life to create a better future for themselves and for the nation'.

Focusing on all aspects of children's development from before birth to age eight, the Strategy will guide governments and encourage greater engagement between governments, with the non-government sector, and with families around the needs of young children.

Over time the Strategy will strengthen early childhood and family services and supports, and join service delivery across sectors. It will also deliver improved outcomes for parents, including improved parenting skills and confidence, and greater capacity to participate in the community and the workforce.

The National Quality Agenda is a key mechanism for achieving the Strategy's vision for young children in Australia. It aims to raise the quality and drive continuous improvement in early childhood education and care, and school age care services through three key components:

- A strong National Quality Standard including the Early Years Learning Framework
- Streamlined regulatory arrangements
- A quality rating system.

The first phase of implementation of the National Quality Agenda occurred in July 2009 with COAG's endorsement of the Early Years Learning Framework.

Introduction

The *National Quality Standard* (the *Standard*) communicates a national view about the quality of early childhood education and care and school age care all families should expect to find in the diverse types of education and care settings available across Australia.

The way quality is defined and reflected in the *Standard* is a key aspect of the National Quality Agenda. It supports a better integration of education and care, incorporating broader outcomes for children attending early childhood education and care and school age care services.

The *Standard* brings together structural components of quality such as educator to child ratios, educator qualifications and health and safety matters currently addressed by regulation with the process aspects of quality such as interactions with children, partnerships with families, stimulating environments and programs and service management addressed through accreditation. This new integrated approach will mean that services are working within a single unified national system. The *Standard* will apply to centre based long day care, family day care, outside school hours care and preschool¹ in the first instance.

The development of the *Standard* was informed by recent research about best practice and the way in which high quality early childhood education and care contributes to positive outcomes for children. The Organisation for Economic Co-operation and Development (OECD)² identifies aspects of quality critical to the provision of early childhood education and care services. These aspects include educational concept and practice, structural quality, interaction between educators and children and targeting services to meet the needs of families and local communities. These aspects of quality are reflected in the *Standard*.

The *Early Years Learning Framework* guides early childhood educators in developing quality early childhood programs. It describes the early childhood pedagogy (principles and practice) and the outcomes required to support and enhance young children's learning from birth to five years of age, including their transition to school. The *Early Years Learning Framework* underpins the implementation of more specific curriculum relevant to each local community and early childhood setting. As it is focussed on children from birth to five years of age, other frameworks will be applicable to school age children.

For the first time Australia has a *Standard* that is linked to a national learning framework which recognises that children learn from birth. The *Standard* will support the implementation of the EYLF and frameworks supporting the care of school aged children by ensuring that the necessary environments, facilities, staffing arrangements, resources and management structures are in place.

Combined, these frameworks outline fundamental components to inform and guide service providers, early childhood educators, co-ordinators and staff in the delivery of nationally consistent and high quality experiences, programs and care across Australia.

¹ In some jurisdictions within Australia preschool is referred to as kindergarten. The Standard will apply to Kindergarten.

² Organisation for Economic Co-operation and Development (2006). *Starting Strong II Early Childhood Education and Care*, OECD.

Guiding principles that apply across the National Quality Standard's quality areas

Six principles apply across the National Quality Standard and all seven quality areas of the National Quality Standard. These principles inform the delivery of quality early childhood education and care and school age care. Services should consider these principles when working to achieve the Standard and improve quality at the service. These principles are:

The rights of the child are paramount

Each child has the right to be an active member of the community in which they live; to have their individual and cultural identity recognised and respected; to express their opinions and have their views considered in any decisions that may affect them.

The Standard reflects Australia's commitment to the United Nations Convention on the Rights of the Child and the obligation of all those who work with children to protect children from harm, respect their dignity and privacy and safeguard and promote every child's wellbeing.

Children are successful, competent and capable learners

Children are active learners from birth, constructing their knowledge, meanings and understanding through their interactions, relationships and experiences.

They are able to form opinions, express their ideas, collaborate with others, plan and persist in learning.

The starting point for all learning is what children already know. Rich, engaging environments and meaningful interactions, where children's voices are listened to and acted upon, build on this foundation for successful life long learning.

Equity, inclusion and diversity

In a fair and just society the intrinsic worth of all children and their families, their strengths and their right to equitable access and participation in the community is clearly visible in all aspects of service delivery.

Programs for the care, education and recreation of children have a unique opportunity to include children from all family circumstances, cultural backgrounds and levels of ability. In particular, a commitment to the full participation of children with additional needs and their families involves enabling their initial access as well as supporting their day-to-day participation in the program. It requires capturing and maximising resources to support each child's participation in and engagement with the program. By providing nurturing environments and supportive relationships they ensure that each child is valued for who they are and has opportunities to reach their full potential.

One of Australia's greatest strengths lies in its unique history and diverse heritage. The many different cultures, contexts and values of families and communities contribute to the richness of contemporary Australian society and inform plans for meaningful learning experiences for children.

Valuing Australia's Aboriginal and Torres Strait Islander cultures

An approach that recognises and respects the strengths and contribution each individual and group makes to the Australian community and challenges bias, builds positive relationships and responds sensitively to the particular needs of each child and their family. Such an approach values Australia's Aboriginal and Torres Strait Islander cultures as a core part of the nation's history, present and future. This is relevant for all services, not only services with Aboriginal and Torres Strait Island children and families enrolled in the service.

The role of parents and families is respected and supported

Parents and families are recognised as the child's primary nurturers and teachers. They have both a right and a responsibility to be involved in decision making affecting their child. Respectful, collaborative relationships strengthen the capacity and efforts of parents and families and of early childhood education and school age care services to support their children and promote each child's learning and wellbeing.

High expectations for children, educators and service providers

The best interests of children and their right to learn and develop in a safe and nurturing environment is the primary consideration in all decision making at the service and is visible in the actions, interactions and daily work with children.

Programs that reflect best practice in the care, education and recreation of children set high standards and expectations for all those responsible for the delivery of the service. They have an open and accountable organisational culture that is flexible and responsive to the local community. They continually reflect on their practice to find ways to improve outcomes for children in their service.

Structure

The *Standard* is organised into the following quality areas:

1. Educational program and practice
2. Children's health and safety
3. Physical environment
4. Staffing arrangements
5. Relationships with children
6. Collaborative partnerships with families and communities
7. Leadership and service management.

The standard outlined in each area is supported by elements which describe the outcomes that contribute to the standard being achieved. The standard outlined in each area must be met to ensure quality outcomes are achieved for children and their families. The presentation order should not be considered an indicator of importance or priority.

National Quality Standard

1. Educational program and practice

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

The educational program and practice is stimulating, engaging and enhances children's learning and development. In school age care services the program nurtures the development of life skills and complements children's experiences, opportunities and relationships at school, at home and in the community.

Standard

1.1 The Early Years Learning Framework (or other approved learning frameworks) informs the development of a program for each child that enhances their learning and development.

1.1.1. The Early Years Learning Framework (or other approved learning framework) guides curriculum decision making and enables each child's learning in the five outcomes:

- Children have a strong sense of identity
- Children are connected with and contribute to their world
- Children have a strong sense of wellbeing
- Children are confident and involved learners
- Children are effective communicators.

1.1.2. Curriculum decision making is informed by the context, setting and cultural diversity of the families and the community.

1.2 The program for each child takes into account their strengths, capabilities, culture, interests and experiences.

1.2.1 Each child's current knowledge, ideas, culture and interests provide the foundation for the program.

1.2.2 Every child is supported to participate in the program.

1.2.3 Each child's learning and development is assessed as part of an ongoing cycle of planning, documenting and evaluating children's learning

1.2.4 Critical reflection and evaluation of children's learning and development, both as individuals and in groups, is used as a primary source of information for planning and to improve the effectiveness of the program and teaching strategies.

Educational program and practice

Regulations and Schedules will include the additional requirement that:

- The program is planned, documented and evaluated.
- Relevant information about the program and their child's participation in the program is shared with parents.
- Process to approve learning frameworks and ability to develop a schedule of approved frameworks.

Examples of the type of content to be covered in Guidelines

- The *Early Years Learning Framework Educator's Guide* will assist educators and service providers to understand and implement the legislative requirements (including the *Early Years Learning Framework*). The Educator's Guide would include information about working with Aboriginal and Torres Strait Islander families.
- A learning framework for Outside School Hours Care and resources to support programs in outside school hours care services
- Similar resource material will be developed for school age care services
- Information about self-assessment tools and how each child's learning and development should be observed and systematically documented.
- Information regarding recent research and theories on child development, learning and teaching and programs for school age children.

2. Children's health and safety

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

Every child's health and wellbeing is safeguarded and promoted.

Standard

2.1 Each child's health is promoted.

- 2.1.1 *Each child's health needs are supported.*
- 2.1.2 *Each child's comfort is provided for and there are appropriate opportunities to meet each child's need for sleep, rest and relaxation.*
- 2.1.3 *Effective hygiene practices are promoted and implemented.*
- 2.1.4 *Steps are taken to control the spread of infectious diseases and to manage injuries and illness, in accordance with recognised guidelines.*

2.2 Healthy eating and physical activity are embedded in the program for children.

- 2.2.1 *Healthy eating is promoted and food and drinks provided by the service are nutritious and appropriate to the age of the child.*
- 2.2.2 *Physical activity is promoted through planned and spontaneous experiences and is appropriate to the age of the child.*

2.3 Each child is protected.

- 2.3.1 *Children are adequately supervised at all times.*
- 2.3.2 *Reasonable steps are taken to identify and manage risks, and every reasonable precaution is taken to protect children from harm and hazards.*
- 2.3.3 *Plans to effectively manage incidents and emergencies are developed in consultation with relevant authorities, practised and implemented.*
- 2.3.4 *Action is taken to respond to every child at risk of abuse and/or neglect.*

Children's health and safety

Regulations and Schedules will include the additional requirement that:

- The service will provide a comfortable and safe environment for children.
- Current health and hygiene practices are used within the service.
- Children with infectious diseases are removed from the service when it is necessary to protect health and safety of other children.
- Parents of children enrolled at the service are notified of any case of infections illness at the service.
- A suitably equipped first aid kit is readily available at the service.
- Authorisation to administer medication (including prescription, over-the-counter and homeopathic medications) is obtained and documented. (In an emergency, authorisation may be given verbally by a parent or medical practitioner).
- Medication must be within its use-by date and in its original packaging. The dosage to be administered must be checked by a second adult (unless this is not possible). Prescription medication must bear the child's name.
- Procedures are in place to manage children with medical conditions and children who have been diagnosed as being at risk of anaphylaxis.
- Cleaning materials, disinfectants, flammable, poisonous and other dangerous substances, tools and toiletries are inaccessible to children.
- Food and beverages are nutritious, varied and adequate in quantity..
- Heating and cooling equipment provided to maintain a comfortable temperature for children.
- Emergency procedures are developed and practised regularly.
- Educators have ready access to an operating telephone or other similar means of communication.
- Collection of children must be by parent or authorised person and a record of children's arrival and departure is kept at the service, with the signature of the person responsible for verifying the accuracy of the record or the person collecting the child.
- Children may only be taken outside the premises by an educator.
- Written authorisation is required for a child to be taken outside the premises (except in an emergency situation).
- Parents are provided with information regarding excursions (designation, mode of transport, educator to child ratios, number of adults in attendance) and their written approval is obtained and documented.
- All excursions must be subject to a risk assessment by providers prior to being undertaken and information to parents.
- Every adult working with children understands and meets their obligations under the relevant State or Territory Child Protection legislation.

Examples of the type of content to be covered in Guidelines:

- Up-to-date information about Sudden Infant Death Syndrome (SIDS), safe sleeping and appropriate bedding.
- Recommended contents of first aid kit for specific setting and purpose, including excursions.

- Resources that promote children’s health and safety including:
 - Australian Government Healthy Eating and Physical Activity Guidelines for Early Childhood settings - this one covers off healthy eating and physical activity for birth to five year olds. (this is the new one)
 - Dietary Guidelines for Children and Adolescents in Australia - this one covers off healthy eating for school age kids
 - Australia's Physical Activity Recommendations for 5-12 year olds - this one covers off physical activity for school age kids.
- Up-to-date information on childhood illnesses, immunisation and infection control, including *Staying healthy in child care – Preventing infectious diseases in child care* (National Health and Medical Research Council). New and emerging practices in children’s health and safety.
- Physical activity is promoted consistent with current guidelines and recommendations for the age of the children within the service.
- Guidelines on health and hygiene in relation to keeping of animals on the premises.
- Guidelines on management of pets in home-based settings.
- Food and beverages to be handled and stored in accordance with relevant legislation and / or guidelines e.g. food safety requirements
- Guidelines on groupings of children so they are configured to provide for each child’s comfort and well being and to minimise the risk of: overcrowding; injury; conflict between children and illness due to infection.
- Requirement to supervise children when sleeping.
- Information about poisonous plants.
- Information about emergency service contacts available to assist with the development of emergency procedures.
- Key elements of emergency procedures (including access to a telephone).
- Information on relevant jurisdictional child protection obligations for educators, coordinators and staff
- Guidelines on:
 - clean and well maintained bed-linen
 - personal hygiene items needing to be attended to as soon as practicable
 - facilities provide safe and hygienic nappy changing
 - procedures to prevent making common use of items intended for children’s personal care
 - access to animals is only under supervision
 - procedures in place to manage asthmas, diabetes, anaphylaxis
- Sun protection / advice from Cancer Council.
- Need for laundry facilities or facilities to hygienic storage of soiled clothes, linen and nappies
- Management of excursions.
- Safe play equipment, including soft-fall.
- Information regarding recent research and practices on child well-being, health and safety and identification of relevant community and government agencies such as child health and local government.

3. Physical environment

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

The physical environment is safe, suitable and provides a rich and diverse range of experiences which promote children's learning and development.

Standard

3.1 The design and location of the premises is appropriate for the operation of a service.

- 3.1.1 Outdoor and indoor spaces, buildings, furniture, equipment, facilities and resources are suitable for their purpose*
- 3.1.2 Premises, furniture and equipment are safe, clean and well maintained.*
- 3.1.3 Outdoor spaces include natural elements and materials which allow for multiple uses.*
- 3.1.4 Facilities are designed or adapted to ensure access and participation by every child in the service and to allow flexible use, and interaction between indoor and outdoor space.*

3.2 The environment is inclusive, promotes competence, independent exploration and learning through play.

- 3.2.1 Outdoor and indoor spaces are designed and organised to engage every child in quality experiences in both built and natural environments.*
- 3.2.2 Resources, materials and equipment are sufficient in number and organised in ways that ensure appropriate and effective implementation of the program.*

Physical environment

Regulations and Schedules will include the additional requirement that:

In centre based services

- Link to relevant standards of the Building Code of Australia.
- A minimum of 3.25 sq m of unencumbered floor space to be provided for each child. This may include:
 - verandas in some services (approval of regulator required).
- A minimum of 7 sq m of useable outdoor play space to be provided for each child. This may include:
 - verandas in some services (approval of regulator required);
 - access to outside space required for outside school hours care services/
 - additional indoor space (such as a gymnasium) in school aged care services (approval of regulator required).
- Outdoor space to be enclosed by a fence or barrier that prevents a child (from birth to school age) from going through, over or under
- Specified shaded outdoor play space to be provided
- Toilet and washing facilities available to children must be accessible from both indoor and outdoor
- Rooms to be well ventilated.
- Indoor spaces allow exposure to natural light.
- Space to be allocated for administrative functions, private conversations and parent consultation.
- Separate indoor space to be provided for children under the age of two years.
- Outdoor space designed to afford children opportunities to explore and experience the natural environment.
- Space is organised to encourage choice and to facilitate active engagement with the environment.
- Each child to have access to furniture, materials and equipment suitable for the educational program.
- Services that are unable to comply with particular facilities requirements apply to the regulator to be considered to 'deem to comply' with those requirements.

In home based services

- Risk assessments of the family day carer's home are regularly conducted to ensure the health and safety of children.
- The Carer's own home has appropriate kitchen and bathroom facilities and fencing

Examples of the type of content to be covered in Guidelines:

- Venue Management Plan for Out of School Hours Care services using shared premises
- Description of unencumbered floor space, that is exclusive of any passageway, thoroughfare, storage areas (including areas required for bedding), children's lockers, built in furniture, cots,

separate sleeping areas, toilets, bathrooms, washrooms, kitchens, offices, laundries, entrances and staff rooms

- Criteria for approving services to count verandas as indoor or outdoor space, and school aged care services to count additional indoor space (such as a gymnasium) as its outdoor space. For example to be included as indoor space the veranda/s must be a solid roof and floor, be protected from sun and rain and be attached to the indoor play area. Verandah may only be included as indoor space if it is appropriate, having regard to local climatic conditions. The veranda cannot make up more than half the required indoor space and must be a useable space
- Description of useable outdoor play space
- Guidelines on how services can manage common safety issues, such as the safety of electrical outlets and the use of hot water.
- Guidelines for ventilation.
- Recommendations about the design of premises and facilities (e.g. a design guide):
 - to ensure environmental sustainability;
 - to facilitate groupings of children to minimise the risk of injury, conflict between children, reduce prolonged exposure to excess noise and promote children’s learning and development;
 - to enable the flexible use of space;
 - to enable the accommodation of a range of services and activities to support children and families; and
 - to recognise and reflect the diversity of families within the local community.
- Recommendations about the design of outdoor play space (eg. a design guide), including:
 - suitable plants and gardens for young children
 - the removal of water and other hazards
 - giving children opportunities to explore and experience the natural environment.
- In quality centre based services group sizes do not exceed three times the ratio that pertains to the relevant age group or can demonstrate that the grouping is achieving the outcomes sought through limiting the size of the group.
- Information related to appropriate centre size.
- Indoor spaces allow exposure to natural light.
- Space is allocated for administrative functions and consultation with parents.
- Separate indoor space is provided for children under the age of two years.
- Spaces are organised to encourage choice and to facilitate active engagement with the environment.
- Each child has access to furniture, materials and equipment suitable for their educational program.
- Services that are unable to comply with particular facilities requirements apply to the regulator to be considered to ‘deem to comply’ with those requirements.
- Clarification about the adequacy and appropriateness of facilities, furniture, equipment and resources for centre based services.

In home based services

- Information about how a risk assessment of the family day carer's home should be conducted, documented and reviewed.
- Recommendations about how often this assessment should be undertaken.
- Information about what actions should be taken if risks to children are discovered at a family day carer's home.

4. Staffing arrangements

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

Staffing arrangements create a safe and predictable environment for children and support warm, respectful relationships. Qualified and experienced educators and coordinators encourage children's active engagement in the learning program. Positive relationships among educators, coordinators and staff contribute to an environment where children feel emotionally safe, secure and happy.

Standard

4.1 Staffing arrangements enhance children's learning and development and ensure their safety and wellbeing.

4.1.1 Educators, coordinators and staff to child ratios (including qualified and/or trained ratios) are maintained at all times

4.2 Educators, coordinators and staff have the skills and knowledge to support children's learning, health, safety and wellbeing.

4.2.1 Educators, coordinators and staff demonstrate the awareness, attitudes, knowledge and skills required to provide an environment where diversity and difference are acknowledged, valued and respected.

4.2.2 Educators and coordinators are focused, active and reflective in planning and delivering the program to each child.

4.2.3 The performance of educators, coordinators and staff is evaluated and individual development plans are in place to support performance improvement.

4.3 Educators, coordinators and staff are respectful and ethical.

4.3.1 Professional standards guide practice, interactions and relationships.

4.3.2 Actions are aligned with the statement of principles under which the service operates.

4.3.3 Educators, coordinators and staff work collaboratively and affirm, challenge, support and learn from each other to further develop their skills, to improve practice and relationships.

4.3.4 Interactions convey mutual respect, equity and recognition of each other's strengths and skills.

Staffing arrangements

Until the following staffing arrangements come into place according to the timeframes below, State and Territory educator to child ratios and qualifications requirements that are in force prior to the commencement of the NQS on 1 January 2012 will continue to apply.

Regulations and Schedules will include the additional requirement that:

Schedule Educator to child ratios

Preschool and long day care

Age group	Educator to child ratio	Timeframes for compliance
Birth to 24 months	1:4	1 January 2012
25 to 35 months	1:5	1 January 2016
36 months to school age	1:11	1 January 2016
Mixed age groups	Proportional formula based on the above ratios	1 January 2012

Number of children (at any one time)	Qualification Requirements	Timeframe
Less than 25	<ul style="list-style-type: none"> 50% of educators have a Diploma (or are actively working towards) level ECEC qualification or above (the teacher may be included) * Other educators have (or are actively working towards) a Certificate III level ECEC qualification (or equivalent) An early childhood teacher is in attendance for some of the time that the service is being provided to children. 	1 January 2014
25 to 59 children	<ul style="list-style-type: none"> 50% of educators have a Diploma (or are actively working towards) level ECEC qualification or above (the teacher may be included) * Other educators have (or are actively working towards) a Certificate III level ECEC qualification (or equivalent) An early childhood teacher is in attendance at the service whenever the service is being provided to 26 children or more. 	1 January 2014

60 to 80 children	<ul style="list-style-type: none"> • 50% of educators have a Diploma (or are actively working towards) level ECEC qualification or above (the teacher may be included) * 	1 January 2014
	<ul style="list-style-type: none"> • Other educators have a certificate III or are actively working towards) level ECEC qualification (or equivalent) 	1 January 2014
	<ul style="list-style-type: none"> • An early childhood teacher is in attendance at the service whenever the service is being provided to 26 children or more. 	1 January 2014
	<ul style="list-style-type: none"> • A second early childhood teacher or another suitably qualified leader is in attendance at the service for at least half the time the service is being provided to 60 children or more. 	1 January 2020
over 80 children	<ul style="list-style-type: none"> • 50% of educators have a Diploma (or are actively working towards) level ECEC qualification or above (the teacher may be included) * 	1 January 2014
	<ul style="list-style-type: none"> • Other educators have a certificate III (or are actively working towards) level ECEC qualification (or equivalent) 	1 January 2014
	<ul style="list-style-type: none"> • An early childhood teacher is in attendance at the service whenever the service is being provided to 26 children or more. 	1 January 2014
	<ul style="list-style-type: none"> • A second early childhood teacher or another suitably qualified leader is in attendance at the service for at least half the time the service is being provided to 60 to 80 children, and once there are more than 80 children, the teacher needs to be there whenever the service is being provided. 	1 January 2020

- For the purposes of clarity, in relation to 50% of Educators have a Diploma, for every 2 educators (or part there of) at least one must have (or be enrolled in and studying) a Diploma level ECEC qualification, that is if there are 15 carers in the service 8 must hold a Diploma level ECEC qualification.
- For the purposes of clarity, an early childhood teacher is in attendance at the service whenever the service is being provided to 26 children or more, would require the teacher to be at the service at least 6 hours per day.
- Victoria would retain its ratio 1:4 for children under 3 years of age.
- NSW, WA and Tasmania would retain a ratio of 1:10 for children 36 months and over.
- NSW would retain its requirements for teachers:
 - 2, for 40-59 children under school age
 - 3, for 60-79 children under school age
 - 4, for 80 plus children under school age.
- Services licensed in Queensland by 1 January 2011 that can justify a need to use a staff to child ratio of 1:5 for a group of children aged 15-36 months will be deemed to comply with the NQS staffing ratios. This arrangement will expire on 31 December 2017. All Queensland services will be expected to be compliant with the NQS staffing ratios from 1 January 2018.

Jurisdictional requirements for teacher to child ratios in preschool programs (additional to staffing and other requirements of the NQS)

- New South Wales: as described above.
- South Australia: The requirements for SA Government pre-schools are 1:11 for the majority of services, with a 1:10 ratio for category 1 preschools in low SES communities. Qualified staff ratios will also be maintained with the first and second staff members required to hold an early childhood teaching qualification in stand-alone preschools, and the first and third staff member holding an early childhood teaching qualification in school-based preschools.
- Western Australia: The requirement is a staff to child ratio of 1:10.
- Tasmania: The requirement is 1 to 25 children to 2 educators, one of whom is a four-year university qualified teacher.
- Northern Territory: The requirements are for a staff to child ratio of 1:11 and a qualified staff to child ratio of 1:22.
- ACT: The requirements are a staff to child ratio of 1:11 for children 3 years and above in licensed children's services (LDC and OSHC) and a staff to child ratio of 2:25 for children attending ACT Government operated preschools.

Family Day Care

Age group	Educator to child ratio	Timeframes for compliance
Mixed age groups of children	1:7 with a maximum of four children not yet attending school	1 January 2014
[For the purposes of clarify, these ratios include the carer's own children.]		

Qualification Requirements

- | | |
|--|----------------|
| <ul style="list-style-type: none"> • All carers have a minimum Certificate III level qualification (or actively working towards) • All coordinators have a Diploma qualification | 1 January 2014 |
|--|----------------|

Outside School Hours Care

Age group	Educator to child ratio	Timeframes for compliance
School age care	The National Quality Standard and Ratings Framework will also apply to OSHC but at this stage no changes to educator-to-child ratios or educator qualifications are proposed.	

State/Territory	Ratio	Timeframes for compliance
ACT	1:11	Immediately
NSW	None prescribed	Immediately
NT	1:15	31 Dec 2013
QLD	1:15	Immediately
SA	1:15	Immediately
TAS	1:15	Immediately
VIC	1:15	Immediately
WA	As prescribed in WA Child Care Outside School Hours Care Regulations 2006 Schedule 1 – contact staff requirements and Division 1 – Prescribed maters 8. Prescribed Qualifications: section 12(2)9c)	Immediately
State/Territory	Qualification Requirements	Timeframe
ACT	<ul style="list-style-type: none"> 1/3 of educators must hold a Diploma level qualification or above; or have completed a Certificate III component of a Diploma qualification or half a Degree qualification and demonstrate continuing progress toward completion of that qualification No formal entry-level requirements for other educators 	Immediately
NSW	<ul style="list-style-type: none"> No prescribed qualification requirements 	Immediately
NT	<ul style="list-style-type: none"> 50% of carers must hold a post-secondary sports and recreation or teaching qualification or equivalent No formal entry-level requirements for other educators 	31 Dec 2013
QLD	<ul style="list-style-type: none"> 50% of educators must hold at least a Diploma level qualification in community services or a two-year qualification in a relevant area of study Other educators must hold at least a Certificate III or IV in Community Services or a one-year qualification in a relevant area of study 	Immediately
SA	<ul style="list-style-type: none"> 50% of educators must hold at least an Associate Diploma level qualification in child care and/or youth or recreation No formal entry-level requirements for other educators 	Immediately
TAS	<ul style="list-style-type: none"> No prescribed qualification requirements 	Immediately

VIC	<ul style="list-style-type: none"> • 50% of educators must hold at least a 2 year post-secondary early childhood qualification or a 2 year post-secondary childcare or youth recreation qualification 	31 Dec 2010
WA	<ul style="list-style-type: none"> • Other educators must hold at least a Certificate III in Children's Services or equivalent or commence obtaining a qualification within 6 months of commencing to care for children • 1/4 of educators must hold at least a Certificate IV in children's studies covering ages four to fourteen or a Certificate IV in outside school hours care • No formal entry-level requirements for other educators 	Immediately

- SA does not currently regulate OSHC. However, services provided on Department of Education and Children's Services' property are required to meet National Standards. Some other OSHC services are also required, by policy, to meet the National Standards.
- TAS indicated in the RIS that they were waiting on National Standards to implement their quality standards. VIC qualification requirements for OSHC do not apply until full licensing (which may not be until close to December 2010 for some services).

Minimum age of educators

Educators under the age of 18:

- may be counted in the educator to child ratios
- are not permitted to work alone in a service
- must be supervised by an adult with a Diploma qualification or above (or actively engaged and working towards the qualification).
- Family day carers must be 18 years of age or above.

For purposes of clarity educators under the age of 18 holding a Diploma qualification would still need to be supervised as above.

All educator to child ratios

- If a service is unable to employ an educator, carer or co-ordinator with the required qualification or above, the service would be considered to be at the operating level.
- A schedule of approved qualifications will be developed which includes currently approved qualifications within each state and territory. The list will include Certificate III, Diploma of Children's Services; early childhood teacher and first aid competencies required of staff.
- A national process for approving new qualifications and determining equivalence of overseas and other relevant courses would need to be developed by January 2012.

Other matters for Regulations

- Definition of working directly with children ie. maintaining educator to child ratios
- Staffing arrangements support children undertaking activities as part of a group that is of appropriate age and composition and promotes relationships with peers and educators.
- At least one educator with a prescribed first aid competency/qualification is present while children are at the service
- All family day carers have a prescribed first aid qualification.
- Professional development plans are documented and implemented.

Examples of the type of content to be covered in Guidelines:

- How prescribed staffing arrangements can be implemented across each service type.
- Guidelines which promote higher educator to child ratios than the minimum required under legislation
- The criteria for assessing fit and proper (for educators, coordinators, staff, holders of approval to operate, and management entities)
- Guidelines for applying the educator to child ratios, including (for example):
 - Older children can be included in groupings of young children if the educator to child ratios are maintained
 - Ready Reckoner for calculating the ratios for mixed age groups

Ready Reckoner			
Age of child	Ratio under National Standard (proposed)	Number of children in the group	Proportion of educator required (based on ratio)
Birth-24 months	1 to 4	1 child	25%
		2	50%
		3	75%
		4	100%
25-35 months	1 to 5	1 child	20%
		2	40%
		3	60%
		4	80%
		5	100%
36 months-school age	1 to 11	1 child	9%
		2	18%
		3	27%
		4	36%
		5	45%
		6	55%
		7	64%
		8	73%
		9	82%
		10	91%
		11	100%

- Clarification of activities that would not be considered to be working with children, for example:
 - Undertaking general cleaning that is unrelated to the direct care of children
 - Having a telephone conversation that is unrelated to the direct provision of care to the children
 - Having responsibility for task such as staffing the reception area
- Provision of non-contact time, to undertake tasks such as:
 - Programming

- Meeting with parents
- Networking with other agencies such as schools
- Expectations regarding the training and skills of staff involved in the preparation of food
- Requirements for educators for excursions
- Expectations regarding professional development records and plans (including expectations for cooks and ancillary staff)
- Promoting that Educators, Coordinators and staff are continually updating their knowledge of children's learning development, health, safety and wellbeing
- Effective communication across the staff team and for single educator services
- Expectations regarding participation in professional development programs and opportunities
- Key elements included in:
 - ECA Code of Ethics
 - Professional Standards
- Information regarding recent research regarding quality indicators such as educator to child ratios, group sizes, qualifications, first aid qualifications, etc
- That in quality services:
 - educators, coordinators and staff hold or are supported to work towards qualifications that are higher than the minimum
 - educators and coordinators regularly participate in and implement learnings from relevant professional development opportunities
- In high quality services groups of children do not exceed three times the ratio that pertains to the relevant age group or can demonstrate that the grouping is achieving the outcomes sought through limiting the size of the group.
- Practice guidelines to assist in developing and maintaining positive relationships including:
 - supporting Educators, Coordinators and Staff to:
 - build teams
 - communicate positively and openly and
 - affirm, challenge, support and learn from each other to further develop their skills and to improve practice.

5. Relationships with children

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

Relationships that are responsive, respectful and promote children's sense of security and belonging free them to explore the environment and engage in learning.

Standard

5.1 Respectful and equitable relationships are developed and maintained with each child.

- 5.1.1 Interactions with each child are warm, responsive and build trusting relationships.*
- 5.1.2 Every child is able to engage with educators in meaningful, open interactions that support the acquisition of skills for life and learning.*

5.2 Each child is supported to build and maintain sensitive and responsive relationships with other children and adults.

- 5.2.1 Every child is supported to work with, learn from and help others through collaborative learning opportunities.*
- 5.2.2 Each child is supported to understand how their own actions affect others.*

5.3 Each child's behaviour, interactions and relationships are guided effectively.

- 5.3.1 Behaviour guidance strategies preserve the dignity and rights of the child at all times.*
- 5.3.2 Each child is supported to manage their own behaviour, respond appropriately to the behaviour of others, and communicate effectively to resolve conflicts.*

Relationships with children

Regulations and Schedules will include the additional requirement that:

- The service has a written policy on positive guidance of child behaviour that reflects current practice.
- The use of physical force and restraint; physical, verbal or emotional punishment and practices that demean, humiliate, frighten or threaten a child are prohibited.

Examples of the type of content to be covered in Guidelines:

- Effective practices across service types.
- Examples of what the elements would look like in practice and the types of evidence that would demonstrate compliance.

For example, in assessing *Standard 11 Respectful and equitable relationships are developed and maintained with each child* there would be observable evidence that children:

- develop secure attachments with familiar educators
- demonstrate a sense of belonging and trust in the environment
- initiate conversations with familiar educators
- express their need for comfort or assistance
- are confident to explore their environment
- are able to work on their own or in groups

Educators:

- give priority to nurturing their relationships with children
- assist children to make positive transitions between home and the service and other services
- convey genuine warmth and interest in each child
- are calm, gentle and reassuring
- recognise children's feelings and respond sensitively to their cues
- spend time in one-to-one interactions with children
- adopt staffing practices that maximise continuity for children and families
- plan ahead and support individual children to transition between groups within the service

- The benefits of children belonging to a group, so that they may:
 - undertake activities as part of a group that is of an appropriate size and composition
 - develop relationships and receive direct care from educators
 - develop friendships with other children.
- Practice guidelines to assist in developing and maintaining positive relationships including:
 - promoting quality interactions with children and fair and consistent responses to children
 - supporting children to:
 - build and maintain trusting relationships with each other (cultural competence), build self esteem and confidence, and respect diversity and equity
 - engage in preferences for solitary or parallel play and collaborative learning
 - recognise and manage their emotions
 - respond appropriately to the behaviour of others (including bullying and teasing)
 - cooperate, negotiate and solve problems together
 - develop friendships.
- Information regarding recent research in this developing and maintaining relationships.
- Importance of children being involved in sustained shared thinking and open ended questions.

6. Collaborative partnerships with families and communities

(green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

Collaborative relationships with families are fundamental to achieve quality outcomes for children. Community partnerships that focus on active communication, consultation and collaboration also contribute to children's learning and wellbeing.

Standard

6.1 Respectful supportive relationships with families are developed and maintained.

- 6.1.1 There is an effective enrolment and orientation process for families.*
- 6.1.2 Families have opportunities and support to be involved in the program and in service activities.*
- 6.1.3 Families have opportunities to influence and shape the service, to review service policies and contribute to service decisions.*

6.2 Families are supported in their parenting role and their values and beliefs about child rearing are respected.

- 6.2.1 The expertise of families is recognised and they share in decision making about their child's learning and wellbeing.*
- 6.2.2 Information is available to families about community services and resources to support parenting and family wellbeing.*

6.3 The service collaborates with other organisations and service providers to enhance children's learning and wellbeing.

- 6.3.1 Links with relevant community and support agencies are established and maintained.*
- 6.3.2 Continuity of learning and transitions for each child are supported by sharing relevant information and clarifying responsibilities.*
- 6.3.3 Access to inclusion and support assistance is facilitated.*

6.4 The service participates in the community.

- 6.4.1 The service participates in the community and demonstrates respect for families and communities.*
- 6.4.2 The service is involved in appropriate community projects and events.*
- 6.4.3 The service takes an active role in caring for its environment and contributes to a sustainable future.*

Collaborative partnerships with families and communities

Regulations and Schedules will include the additional requirement that:

- Families have access to the service during operating hours and are able to speak with educators and coordinators about issues affecting their child.
- The service has a policy about:
 - families' participation in the service; and
 - inclusion and procedures for reducing discrimination.
- The service has documented enrolment and orientation procedures.
- The service plans and implements a variety of opportunities for families to participate.
- The service establishes links with other services to support children and their families.
- Educators and coordinators have access to space for private and confidential discussions with families and access to the service for families during the hours of operation.

Guidelines will detail (for example):

- Examples of collaborative partnerships in each service type, including evidence that could demonstrate compliance.
- Guidelines regarding communication pathways with indigenous communities, ideas of cultural competence, and needing to reflect cultural diversity of community
- For example, in assessing *Standard 6.1: Respectful supportive relationships with families are developed and maintained*, there would be observable evidence that
 - Families:
 - are welcome to visit the service at any time;
 - have opportunities to discuss their child's experiences with the child's primary educator(s);
 - can raise issues and work with educators to reach a mutually agreeable solution.
 - Educators:
 - implement an 'open door' policy;
 - have made preparation to communicate with families for whom literacy is an issue or for whom English is not a first language, even if this is not currently required;
 - respond to all families respectfully.
- Guidance about what should be included in enrolment and orientation processes.
- Guidance about what opportunities could be provided to families to enable them to participate in decision making and activities at the service.
- Guidance to assist services to develop and maintain respectful supportive relationships with families, including:
 - supporting parents in their parenting role;
 - facilitating access for inclusion and support agencies;
 - supporting children's transitions;
 - how to share information with families

- linking with relevant community and support agencies, including referrals to specialist services and family support agencies;
 - linking with, participating in and contributing to the wider community;
 - networking in the community;
 - caring for the environment and contributing to a sustainable future
 - sharing information about the child between the service and other children's services or schools (with the consent of families).
- Information regarding recent research and theories on developing collaborative partnerships.

7. Leadership and service management

(Green highlighting denotes assessment on opening as well as 3 to 6 months after opening)

Effective leadership contributes to sustained quality relationships and environments that facilitate children's learning and development. Well documented policies and practices that are developed and regularly evaluated in partnership with educators, coordinators, staff and families contribute to the ethical management of the service. There is a focus on continuous improvement.

Standard

7.1 Effective leadership promotes a positive organisational culture and builds a professional learning community.

- 7.1.1 *A suitably qualified and experienced educator or coordinator leads the development of the curriculum and ensures the establishment of clear goals and expectations for teaching and learning.*
- 7.1.2 *There is continuity of educators and coordinators at the service.*

7.2 There is a commitment to continuous improvement.

- 7.2.1 *A statement of principles is developed which guides all aspects of the service's operations.*
- 7.2.2 *An effective planning and evaluation process is in place that guides service operation and programs and enables the identification and delivery of ongoing improvement initiatives.*
- 7.2.3 *The induction of educators, coordinators and staff is comprehensive.*

7.3 Management and administrative systems enable the effective provision of a quality service.

- 7.3.1 *Administrative systems and communication channels are established and maintained to ensure the effective operation of the service.*
- 7.3.2 *Service practices are based on effectively documented policies and procedures that are available at the service and reviewed regularly.*
- 7.3.3 *Records and information are stored to ensure confidentiality, are available from the service and maintained in accordance with legislative requirements.*
- 7.3.4 *Appropriate governance arrangements are in place to manage the service.*
- 7.3.5 *The authority/ies responsible for administering the Standard is/are notified about any relevant changes.*

7.4 Adults working with children and those engaged in management of the service or residing on the premises are fit and proper.

- 7.4.1 *The provider, including managing bodies, any authorised supervisor/nominee engaged to be a manager (on and off-site) demonstrates their fitness and propriety.*
- 7.4.2 *The provider takes reasonable steps to ensure the fitness and propriety of educators, coordinators and staff.*
- 7.4.3 *The provider takes reasonable steps to ensure the fitness and propriety of any adults who reside in or are frequent visitors to a home based service while children are in care.*

7.5 Grievances and complaints are managed effectively.

- 7.5.1 Processes are in place to ensure that all grievances and complaints are addressed, investigated fairly and documented in a timely manner.*
- 7.5.2 The authority/ies responsible for administering the Standard is/are notified of complaints which allege a breach of legislation or a serious incident.*

7.6 Information is exchanged with families on a regular basis.

- 7.6.1 Current information about the service is available to families.*
- 7.6.2 Information is available to families about their child which includes documentation of the child's learning, development and participation in the program.*
- 7.6.3 Information provided by families is documented as appropriate.*

Leadership and Service Management

The Regulations and Schedules will include the requirement that:

- The holder of an approval to operate identifies an educator or coordinator as the 'pedagogical leader' to lead the development of programs and ensure the establishment of clear goals and expectations for teaching and learning within the service.
- The licence and rating is displayed at the centre.
- Service practices are documented in policies and procedures and information is available at the service and to families, reviewed regularly and includes but is not limited to those areas prescribed in **Schedule A** (see below).
- The holder of an approval to operate ensures that recording and management of relevant information related to children and families is administered effectively including updating, storage, maintenance of confidentiality, access for families and the authority/ies responsible for the Standard. Records to include but not be limited to those prescribed in **Schedule B** (see below).
- The holder of an approval to operate including managing bodies, any authorised supervisor/nominee engaged to be a manager (on and off-site) is fit and proper. This assessment includes whether:
 - Guilty of an indictable offence;
 - Guilty of an offence under this Act or previous;
 - Person is not of sound financial reputation and stable financial background;
 - Person is not of good repute having regard to character, honesty and integrity.

The Authority/Authorities responsible for the Standard may require the person in respect of whom a fit and proper person check is being carried out to submit to:

- Any test or provide any references or reports to determine the suitability of the person; and
- Any medical or psychiatric examination considered appropriate in order to determine the suitability of the person and, if required, provide any results or reports of the examination.

Schedule A

- Statement of principles
- Hours of operation
- Admission and enrolment procedures
- Fees charged and arrangements for payment
- Manager/person responsible on duty
- Staffing (numbers and qualifications)
- Code of conduct
- Participation of students and volunteers
- Arrangements for the delivery and collection of children
- Outline of the program
- Behaviour guidance

- Excursions
- Dealing with illness, emergency care and infectious diseases
- Notification of any occurrence of modifiable/vaccine-preventable infectious disease
- Notice that a child at risk of anaphylaxis attends the service
- Anaphylaxis management policy
- Details of emergency evacuation
- Safety and health
- Menus
- Complaints
- Approval to operate and any 'Interim Approvals'
- Contact details for the authority/ies responsible for the National Quality Standard.

Schedule B

- Enrolment
- Attendance
- Permission for excursions
- Child progress
- Medication
- Incident and illness
- Staffing
- Custody arrangements/court orders.

Guidelines will detail (for example):

- The role of the suitably qualified and experienced educator or coordinator as a leader of program/curriculum development including:
 - Have current knowledge of child development and effective approaches to teaching and learning
 - Have a knowledge of planning, assessing and documenting children learning and the importance of sharing information with families
 - Oversee and lead other educators in implementing the Early Years Learning Framework including pedagogy and curriculum decision making
 - Planning and delivering the preschool program for children in the years prior to school
 - Work with other educators in observing, supporting and extending children's learning and lead discussions on reflective practice
 - Support educators in the process of assessment for learning
 - Lead and share information, knowledge and expertise on practice, policy developments and community changes that may impact on curriculum

- Act as a professional role model, promoting high quality education and care for children
- Build the capacity of all educators by supporting and mentoring others to take on leadership roles in areas of expertise or of potential interest.
- Support materials to assist in developing policies and procedures, professional development records and plans.
- What is expected in complying with the Standard and examples of strategies to demonstrate compliance
 - For example, a sample policy and procedure template along with instructions that policies and procedures are documented, dated and sourced, developed in consultation with educators, coordinators, staff and families, regularly reviewed, available and communicated to families.
 - For example, a list of the types of events or changes that may require notification to families and the authority/authorities responsible for the Standard.
 - For example, a discussion on the reasons why communication with families is important and suggestions for strategies to communicate with families regarding topics such as their child's food and drink consumption, sleeping pattern at the service, nappy changes, accidents and illness, participation in the programs and daily experiences.
 - For example, guidance on how to ensure fitness and propriety in different governance structures.
- Information regarding:
 - recent research and theories on leadership and mentoring in educational settings
 - recent research and practices related to children's learning, health, safety and wellbeing, and
 - recent research and theories on management practices in educational settings.

Glossary

The following glossary explains some key terms as they are used in the *Standard*.

Authorised supervisor/nominee is an adult nominated by the holder of an approval to operate /service provider to help ensure the service is operated in compliance with the *Standard* and assist with communication between the holder of an approval to operate/service provider and authority(ies) responsible for implementing the *Standard*.

Built environments include manufactured, synthetic and commercially produced surfaces, materials, toys and equipment.

Centre based refers to an education and care service providing long day care, preschool, kindergarten and outside school hours care. The service may operate from standalone or shared premises including those on school grounds.

Children is the term used within this document to refer to each baby, toddler, three to five year old and school age child both as an individual and a member of a group in the education and care setting, unless otherwise state.

Collaboration involves working together cooperatively towards common goals. Collaboration is achieved through information sharing, joint planning and the development of common understandings and objectives.

Communication pathways and protocols are lines of communication that respect culturally defined relationships in families and kinship groups. They involve educators considering appropriate ways of speaking and behaving, including appropriate body language, eye contact and touch, to ensure that their interactions with each child, family and community are respectful.

Community refers to a group of people who have common characteristics. In this context the term can be defined according to location, race, ethnicity, age, occupation, interest in particular issue, or other common bonds. In an education and care setting the term community may include children, families, educators, staff, other professionals, school staff and volunteers. It may also include members of the wider community and particular groups or organisations in the local area.

Continuous improvement is the process by which the service evaluates and seeks opportunities to improve its operations and daily practice. The ultimate goal of continuous improvement is to enhance outcomes for children.

Coordinator refers to the professional staff employed by a family day care scheme to support, monitor and provide pre-service and in-service training for educators. The term 'coordinator' includes: coordinator, child development officer, child care services officer, field officer/worker, manager, director, authorised supervisor, team leader, and play session/group leader.

Critical Reflection involves examining and analysing events, experiences and practices from a range of perspectives to inform future planning and decision making.

Culture describes the customs, ideas, values, practices and way of living shared by a group of people.

Curriculum means 'all the interactions, experiences, activities, routines and events, planned and unplanned, that occur in an environment designed to foster children's learning and development' (adapted from Te Whariki).

Deemed to comply when a service may not technically comply with either the Staffing Arrangements or Physical Environment standards of the NQS, but the service is assessed as being fit for purpose on an ongoing basis.

Diversity refers to the differences among all individuals. In an education and care setting, diversity may include, but is not restricted to, differences in background, culture, customs, language, faith, religion, family structure, ability, gender, sexuality, child rearing practices and socio-economic status. Diversity is respected when difference is valued and where inclusive practices are implemented.

Documentation results from a process of recording information, discussions and decisions. Documentation of children's learning may include examples of children's writing, drawing, painting and construction, photographs of projects and works in progress, transcripts of children's comments and conversations about their experiences.

Educator is a person who works directly with children and is included in the 'educator to child' ratio.

Effective means achieving the desired outcome from a particular course of action. A policy is effective when it is consistently put into practice and results in the desired outcome being achieved for children. For example, a sun protection policy is effective when educators consistently implement the strategies outlined in the policy and children and adults are protected from harmful exposure to the sun.

Equity refers to fair and just treatment of all individuals.

Evaluation measures the effectiveness of something by identifying its outcomes, strengths and weaknesses. The results of evaluation are used to inform future planning and decision making.

Experiences are defined as the activities and routines provided for children. Experiences may be planned or spontaneous and should reflect children's needs, interests and abilities.

Family describes the network of significant people involved in caring for the child outside of the service.

Family day care is a child care service that provides small group care for children from birth through to school age in the home environment of a registered educator. Educators work in partnership with scheme management and coordination unit staff.

Financial viability relates to the financial resources and stability of the provider and the extent to which a quality service can be sustained financially.

Fit and proper describes a person's suitability and ability to meet the standard required to work with children and families or be involved in the operation of an education and care service.

Harm to a child is any detrimental effect of a significant nature on the child's physical, psychological or emotional wellbeing. Harm can be caused by physical, psychological or emotional abuse or neglect or sexual abuse or exploitation.

Hazards are items which have the potential to cause harm, illness or injury. In an education and care setting hazards may include cleaning products, garden chemicals, medications, pest

control agents, broken or damaged toys, equipment or surfaces, electrical equipment, sharp objects, soiled materials, foreign objects, spiders and vermin and poisonous plants.

Home based services are provided in the home of the educator or the child's family. For example, a home based service is provided by an educator in a family day care scheme or a registered individual who is not part of a family day care scheme.

Hygiene refers to the clean and sanitary practices which maintain good health at the service. The spread of infectious diseases is minimised when educators and staff use accepted hygiene practices during daily routines such as toileting, nappy changing and handwashing.

Inclusion and support assistance aims to develop the capacity of child care services to create an inclusive environment for all children and their families, including those from culturally and linguistically diverse backgrounds, those with on-going high support needs and Aboriginal and Torres Strait Islander children.

Induction is a planned process of introducing new staff, relief staff, students or volunteers to the service in preparation for their role. An effective induction will assist new members of the service to understand what is expected of them and what they can expect from the service.

Interim approval is where a service is permitted to operate notwithstanding that it does not meet a particular requirement under the NQS. An interim approval is time-limited and only available for requirements under the Staffing Arrangements and Physical Environment standards. A service with an interim approval will be rated as Operating level for the quality area to which the interim approval applies.

Leader refers to the suitably qualified and experienced educator or coordinator who leads the development of the program and is role model for other educators in the service.

Natural environments include natural materials and surfaces that have undergone very little modification, for example grass, trees, rocks, plant materials, soil, sand, water, clay, timber, bark, seeds, shells and stones.

Observation describes information obtained by watching, listening and interacting with children to identify their skills, interests, needs and abilities. This information will assist educators to plan meaningful experiences for children.

Open ended questions are those that invite a thoughtful, rather than a single 'yes' or 'no', response. These may include questions that begin with 'what', 'where', 'when', 'which', 'why' and 'how'.

Orientation is a process designed to familiarise children and families with educators, staff, service operations, and daily practices when they commence care. The primary goal of orientation is to support children to adapt to unfamiliar routines, new people and new places.

Orientation also provides an initial opportunity for sharing of information between families and the service about care expectations, the child's individual needs and how the service will meet them.

Outside school hours care is a service that provides care for school age children before school, after school, on pupil-free days and/or during school holidays (vacation care). Outside school hours care may use standalone facilities, share school buildings and grounds, and/or share facilities such as community halls. Care for school age children outside of school hours, on pupil-free days and during school holidays may also be provided by family day care and long day care services.

Parents of a child include the natural or adoptive parent of the child and their spouse, a person who, under Aboriginal or Torres Strait Islander tradition, is regarded as a parent of the child or the carer of the child under relevant legislation.

Partnership is a co-operative and mutually beneficial relationship between those working together and sharing a responsibility to achieve a common goal, such as positive outcomes for children. Effective partnerships require good faith, mutual respect and common understanding from which decisions can be made.

Planning occurs at a number of levels within an education and care service. Planning refers to making decisions about what will happen at the service for children. In daily planning, educators consider relationships and interactions, routines, the environment, experiences provided for children and how the program will be delivered. Planning also occurs at the service level to ensure effective management and administrative practices and systems are in place so that the service is responsive to the needs of children, families and the community.

Policy is a written statement which details service practices and procedures and explains the reasons for them. A policy is informed by current best practice and guides consistent application of service procedures by ensuring that all stakeholders have the same understanding and expectations.

Preschool programs Preschool programs in the year before full-time schooling are play based learning programs, planned and delivered by an early childhood qualified teacher for a minimum of 10 hours a week (15 hours a week from 1 January 2013) for 40 weeks per year. For children other than those in the year before full-time schooling, preschool programs are play based learning programs, planned and delivered by an early childhood qualified teacher.

Professional development is the process of maintaining and continuously improving current knowledge and skills in an area of expertise through both informal and formal learning opportunities.

Professional standards describe the appropriate and expected behaviour of management, educators and staff. They are used to guide ethical decision making and respectful relationships within the service.

Programs include the spontaneous and planned experiences provided for children at the service designed to facilitate learning.

Provider refers to the owner and operator of an education and care service. The term 'provider' also refers to an individual operating a home based service which is not part of a family day care scheme.

Reasonable risk is a challenge provided to children which extends their skills and abilities without exposing them to unacceptable risk of serious injury.

Resources are items such as toys, play equipment, books, writing materials and craft materials for children to use in their play, learning experiences and physical activities. Resources provided by the service must be safe and appropriate to the age and skills of the children using them and should extend their interests and abilities.

Routines are structured, daily events that occur at regular intervals in the education and care environment. They may include children's arrivals and departures, the collection of school age children, transitions, nappy changing and toileting, snack and mealtimes, rest and sleep.

Service describes the management, educators and staff of a family day care scheme, long day care centre, or outside school hours care service. In family day care, the term 'service'

refers to both the coordination unit and the carer's home. The service may also comprise a holder of an approval to operate or sponsor responsible for the operation of the service.

Spontaneous means unplanned, impulsive or 'spur of the moment'. In an education and care setting spontaneous learning opportunities emerge as children, explore, discover, imagine and interact with both educators and their peers.

Staff refers to staff members in a centre based setting who are not included in the educator to child ratios and/or perform another primary function in the service such as cook, administrator, gardener, housekeeper or cleaner.

Statement of principles outlines the values and beliefs that are important to children, families, educators, staff and management which guide everything that happens at the service.

Supervision is the continuous and active observation of children and intervention to promote their wellbeing. Active supervision ensures that children are safe, that risks within the environment are minimised and that they are engaged in positive interactions and activity, without over-protection or over-direction. Supervision requirements will vary according to the age and number of children, the activity taking place, the environment and the needs of individual children.

Sustainability is the result of finding ways to meet current needs that do not impact on the quality of the environment or reduce the capacity of future generations to meet their own needs.

Sustained shared thinking involves two or more individuals (children together or adults and children) working together to solve a problem, explore a new concept or develop a new understanding. Educators support, extend and challenge children's thinking by getting involved in the thinking process with them.

Systematically means in a purposeful, regular and methodical way.

Teacher means an early childhood teacher holding an approved qualification under the NQS or a qualification that has been assessed as equivalent.

Transitions describes the movement of children from one setting or service to another, from one group or room to another or the move from one activity to the next.

SCHEDULE C – TRANSITION ARRANGEMENTS

Transition phase

1. The transition phase is the period between the signing of this Agreement and 1 January 2012. The transition phase is the first part of the implementation phase, which encompasses the period between the signing of this Agreement and the implementation of the final change to staff to child ratios on 1 January 2016.
2. During the initial months of the transition phase, that is from the signing of this Agreement until 1 July 2010, all jurisdictions will work collaboratively to develop a detailed transitional process that includes testing and consultation with the sector in order to finalise the detail of the NQF.
3. All jurisdictions will continue to work collaboratively together over the transition phase to give effect and facilitate the smooth transition to the new arrangements, including to develop and implement the legislation for enactment in all jurisdictions, and to begin work on reducing duplication and administrative regulatory burden for providers ahead of the implementation phase.
4. The implementation of the NQA will occur over several years. A phased implementation is necessary to:
 - a. enable the aligned development and enactment of legislation;
 - b. facilitate the required growth in a qualified early childhood education and care workforce;
 - c. allow current early childhood education and care and OSHC care services time to adjust to the new standards;
 - d. establish the new national body; and
 - e. facilitate the training of regulators responsible for assessing services against the NQF.
5. The provision of information and support to early childhood education and care and OSHC care services will also be required in preparation for the transition to the NQF.
6. Assessments against the NQS and streamlining of existing processes will commence from July 2010. New ratio and qualification requirements and regulatory arrangements will be implemented progressively, starting with the introduction of a 1:4 staff to child ratio for children between birth and two years in LDC and preschool services.

Transitional arrangements for applying the National Quality Standard

7. The new governance arrangements will also be introduced progressively. From 1 July 2010 assessment and rating of Child Care Benefit 'approved' early childhood education and care and OSHC care services (which are currently subject to the existing Child Care Quality Assurance System), will be commenced using a joint planning approach between the NCAC and State and Territory regulatory agencies. Where states and territories wish to begin assessment of preschool services against the new NQS before 1 January 2012 they will be able to do so.
8. This phased implementation of the new governance arrangements will mean that the Commonwealth and the States and Territories will retain specific roles in relation to quality

assurance in the short term. The NCAC will primarily focus on aspects of the NQF that are not addressed by State and Territory regulators when they assess a service for an approval to operate. As far as possible, this approach will support the aim of reducing regulatory burden by streamlining the regulatory and quality assurance activities.

9. During the transition period, services will be expected to participate in the NQF and show continuous improvement in the delivery of services in order to continue to be eligible for approval for Child Care Benefit purposes. Information and support will be provided to services to assist them to build their capacity and move toward meeting the new National Quality Standard.
10. From 1 July 2010 all existing services approved for Child Care Benefit and currently participating in the Child Care Quality Assurance System will be given an operating level rating. For these services, their current accreditation status will sit alongside this rating until such time as they are assessed against the NQS. Any new licensed services will also be given an operating level rating in the first instance.
11. The assessment of existing providers will occur on the same cyclical basis as at the current Quality Assurance System accreditation process (two and a half years), and as such it may take up to 3 years from 1 July 2010 for all services to be assessed against the NQS. Where a triggering event occurs (such as a change in the primary person in charge of the service) and risk profiling indicates a need for an early assessment, an assessment will be prioritised.
12. The assessment of services not required to be approved for the purposes of Child Care Benefit, such as most preschool services, will be a priority following formal commencement of the NQF on 1 January 2012. The timeframe for the assessment of these services would be determined and specified in the implementation plan. Field testing of the assessment of these services will occur in the transition phase.
13. During the transition phase, existing staff to child ratios and qualifications that are in force prior to the commencement of the NQF on 1 January 2012 will continue to apply until the date of effect for each element under the new requirements, as detailed in the NQS, Annexure 1 of Schedule B, is implemented.
14. During the transition period, States and Territories will use their best endeavours to give priority consideration for vacancies in equivalent positions in State and Territory regulatory agencies to current NCAC validators and moderators and relevant State or Territory employees.
15. Once the system is fully operational, the NCAC will cease to operate. The national body will be a new and distinct organisation with specific functions as outlined in Schedule A.
16. Staff from the NCAC will be given priority consideration for national body positions where they have relevant skills. Senior positions will be advertised.

SCHEDULE D – FINANCIAL ARRANGEMENTS

Commonwealth funding allocation to States and Territories

1. The ultimate intention is that final arrangements will involve the total cost of the system (minus any fee revenue) being split, with the Commonwealth funding around 40 per cent of agreed nationally efficient costs and states 60 per cent. The Commonwealth funding will be fully allocated on the basis of agreed nationally efficient costs from 2020.
2. The total cost of the system will be reduced by the amount of revenue from the approval to operate fee. The final level of the fee will be determined by MCEECDYA. A total of 90 per cent of the fee revenue will be retained by state and territory regulatory authorities and 10 per cent will be used to partially fund the National Body.
3. In regard to the National Body (\$11.5 million per annum), the Commonwealth will fund its establishment and contribute \$5.75m per year to its ongoing operational costs (50 per cent) (in 2009-10 dollars). States and territories will fund the remaining 50 per cent of the cost of the National Body, with distribution based on the number of services in each State and Territory, but the Commonwealth has recognised this contribution in its funding offer. National Body funding commences from 1 January 2012.
4. The Commonwealth's initial funding for States and Territories in recognition of their additional regulatory costs and costs arising from supporting the national body covers the period 1 January 2012 to 30 June 2014 as set out in table 1. The funding offer is presented both as a total amount, and net of the support provided in recognition of the States' and territories' contribution to the National Body. (Funding is presented in 2009-10 dollars).
5. The funding across the period from 1 January 2012 to 30 June 2014 (other than component that recognises States' and Territories' contribution to the National Body) is split on the basis of two components:
 - i. Population based split of 20 per cent of the total funding available in each year (the population is the number of children 0-12 in each jurisdiction (ABS, 2008).
 - ii. 80 per cent needs based split on the basis of jurisdictions who face an additional cost in any relevant year

In addition, a base level amount of assistance has been provided to all jurisdictions.

6. It is intended that this approach will continue until 1 January 2016. In addition, between 2010-11 to 2012-13, the Commonwealth will provide additional transitional support (Table 2).
7. The Commonwealth's total contribution for 2010-11 to 2013-14 (both overall and net of the component that recognises States' and Territories' contribution to the National Body) is at Table 3.
8. It is intended that from 1 January 2016, the Commonwealth's contribution will begin to adjust, in preparation for the final distribution approach from 2020. The adjustment will be smoothed across the years 2016 to 2020.

Table 1: Commonwealth support for Regulation and National Body Costs by Jurisdiction

	2010/11 (\$m)	2011/12 (\$m)	2012/13 (\$m)	2013/14 (\$m)	Total
NSW	0.00	4.97	8.63	8.47	22.07
Vic	0.00	2.60	4.58	4.63	11.81
QLD	0.00	0.79	1.47	1.47	3.73
SA	0.00	1.24	2.19	2.30	5.73
WA	0.00	0.47	0.88	0.88	2.23
Tas	0.00	0.17	0.28	0.28	0.73
NT	0.00	0.47	0.84	0.84	2.15
ACT	0.00	0.14	0.21	0.21	0.56
Total	0.00	10.85	19.08	19.08	49.01

Table 2: Commonwealth Transition Support by Jurisdiction

	2010/11 (\$m)	2011/12 (\$m)	2012/13 (\$m)	2013/14 (\$m)	Total
NSW	2.89	0.97	0.97	0.00	4.83
Vic	1.34	0.56	0.56	0.00	2.46
QLD	1.02	0.13	0.13	0.00	1.28
SA	0.73	0.26	0.26	0.00	1.25
WA	1.22	0.28	0.28	0.00	1.78
Tas	0.11	0.02	0.02	0.00	0.15
NT	0.42	0.02	0.02	0.00	0.46
ACT	0.03	0.02	0.02	0.00	0.07
Total	7.76	2.26	2.26	0.00	12.28

Table 3: Total Commonwealth funding outcome by jurisdiction

	2010/11 (\$m)	2011/12 (\$m)	2012/13 (\$m)	2013/14 (\$m)	Total
NSW	2.89	5.94	9.60	8.47	26.90
Vic	1.34	3.15	5.14	4.63	14.26
QLD	1.02	0.91	1.59	1.47	4.99
SA	0.73	1.50	2.45	2.30	6.98
WA	1.22	0.75	1.17	0.88	4.02
Tas	0.11	0.19	0.30	0.28	0.88
NT	0.42	0.49	0.86	0.84	2.61
ACT	0.03	0.16	0.23	0.21	0.63
Total	7.76	13.09	21.34	19.08	61.27

SCHEDULE E – WORKFORCE MEASURES

1. A sufficient supply of suitably qualified workers will be essential to delivering the NQA and fostering the best outcomes for children regardless of where they live and their socio-economic circumstances.
2. Consideration will be given to the development, implementation and evaluation of strategies to increase the skills and work capacity of the current and future Indigenous early childhood development workforce in demand areas. Strategies may include improving articulation and pathways to early childhood education teacher qualifications, supporting the development of innovative training models and flexible delivery approaches that meet the needs of individual communities and promoting mentoring programs to support community members wishing to enter the early childhood workforce or upgrade qualifications.

Workforce projections to 2020

3. Workforce modelling, principally based on past growth rates, indicates that at a national level it will be possible to broadly achieve the requirements under the NQA for workforce and qualifications growth. However, achieving sufficient supply of early childhood teachers will be the greatest challenge, particularly in those jurisdictions with significant rural and remote workforce issues.
4. Workforce modelling projections, taking into account the impact of funded policy interventions and additional policy influences which increase completion rates by 10% and retaining staff for one additional year indicate that overall, by 2015 the analysis of workforce data demonstrates that there is likely to be a shortfall of the degree qualified workforce of 1,210, whilst all requirements will be met for Diploma and Certificate III.

Existing investment

5. The Commonwealth, States and Territories have significant current investment in workforce.
6. The Commonwealth currently provides support through a number of programs:
 - a. HECS-HELP benefit for early childhood teachers: reduce by around half the HECS-HELP debt of early childhood teachers who work in regional and remote areas, Indigenous communities and areas of high disadvantage.
 - b. TAFE Fee Waiver: removal of TAFE fees for child care diplomas and advanced diplomas from 2009.
 - c. Additional Early Childhood Education Places: the funding of additional continuing university places for early childhood teachers, starting with 500 places in 2009 and rising to 1500 continuing places by 2011.
 - d. Universal access: funding to States and Territories to assist in the universal provision of preschool education for children in year before formal schooling.

Early Years Development Workforce Strategy

7. The growth of the workforce and qualifications will be monitored every two years with a review of jurisdictional information, in addition to national structural changes associated with the NQA, in 2014. This review will allow progress on the development of a qualified workforce to be considered, and will provide an opportunity to evaluate whether further actions are needed to meet the NQA outcomes, including any further action if remote and rural long day care providers cannot reasonably attract a teacher.
8. The COAG endorsed Early Childhood Development Strategy identifies workforce as one of the six key reform areas. The Early Years Development Workforce Strategy (EYDWS), to be considered by COAG in 2010, will focus on the wider early childhood development workforce, which includes the early education and child care sector. The EYDWS will identify potential options for all governments, and the sector, to pursue in order to provide for an adequate supply of qualified workers to support the NQA, as well as examine options for improving educational leadership in the sector. Further, it will address the availability of nationally consistent workforce data, attraction and retention approaches, policy directions underpinning qualifications, and the particular workforce issues confronting rural and remote locations.
9. In addition, parties to the agreement will complete a review within the first quarter of 2013 on progress towards meeting the qualification requirements due to come into force from 1 January 2014, particularly in relation to requirements for an early childhood teacher; and that this review specifically report on the capacity of early learning and care providers in rural and remote areas to attract a trained teacher. If the review indicates that a significant proportion of rural and remote providers, including those with Indigenous children, cannot reasonably attract a trained teacher, then MCEECDYA will consider what action is necessary to address this challenge.