

Productivity Commission Inquiry into Early Childhood Education and Care (ECEC) – Draft report feedback, February 2024

The Centre for Excellence in Child and Family Welfare (the Centre) is the peak body for child and family services in Victoria and Tasmania. For over 100 years we have advocated for the rights of children and young people to be heard, to be safe, to access education and to remain connected to family, community, and culture. We represent over 150 community service organisations, students and individuals throughout Victoria and Tasmania working across the continuum of child and family services, from prevention and early intervention to the provision of out-of-home care.

Many of our members work with families experiencing hardship and vulnerability. They see firsthand the challenges associated with early years access and equitable outcomes for children living in disadvantaged circumstances. On behalf of our members and the families they serve, the Centre welcomes the opportunity to provide feedback on the Productivity Commission's Draft report *A path to universal childhood education and care*.

The Centre supports the key findings and recommendations in the report and believes this inquiry, and the potential policy reforms that may come from it, are timely. We particularly welcome the Commission's recommendation to boost the child care fee subsidy from 90 per cent to 100 per cent for lower income families. This will remove the affordability barrier to accessing education and care for many children and their families. Though the draft report addresses significant issues around accessibility, affordability, and workforce reforms which are needed to achieve universal early education and care (ECEC) in Australia, the Centre would also like to highlight some of the opportunities the report presents to improve outcomes for some of our most vulnerable citizens. These include infants and children from zero to five years of age, children living in out of home care, and children experiencing co-occurring forms of disadvantage. Our feedback relates to the draft report's key recommendations with some additional points for consideration.

A universal system removing barriers to access for all – response to draft report key points and recommendations

Affordability and accessibility gaps to achieving universal access

Many of the low- and middle-income families supported by our members still struggle to meet the costs of childcare even with the available government subsidies. The Productivity Commission's draft report highlights the disparity in outcomes for families whose children can attend early childhood education and care and those who cannot. The Commission's recommendation that the Australian Government move towards a universal system which makes high quality early years services accessible to all families will allow more children to receive the benefits of early learning before they start school.

Research shows that 30 hours of quality education and care a week is optimal to support education and developmental outcomes, especially for children experiencing disadvantage.¹ As the Productivity Commission details in its report, the benefits of early education and care are especially significant for children experiencing vulnerability and/or disadvantage, though they are least likely to be able to attend. Removing the affordability gap for these children has the power to change life trajectories and break the perpetual cycle of disadvantage.²

The Centre supports the Commission's recommendation to remove the affordability barrier to access for low-income families. All families earning less than \$80,000 per annum should have access to the full childcare subsidy with no gap fees. In addition to this, the Centre also supports the draft report's suggestion that the administrative complexity around access to education and care be removed for families who meet the criteria, including extending the timing of eligibility for the Additional Child Care Subsidy (Child Wellbeing) payment. Currently, this is paid for six weeks, but this is not long enough for 'at risk' families to be in a position of financial stability to cover the costs related to ECEC fees. It is important that children known to child protection, regardless of their family or financial background, be eligible for the full subsidy amount for as long as their child is enrolled in education and care.

¹ Mitchell Institute. (2016). Quality Early Education for All. p.6. <https://www.vu.edu.au/sites/default/files/quality-early-education-for-all-mitchell-institute.pdf>

² Pascoe, S., & Brennan, D. (2017). Lifting Our Game. (Victorian Government. p.6. <https://www.education.vic.gov.au/Documents/about/research/LiftingOurGame.PDF>

Inclusivity for equity cohorts of children

The Centre welcomes the recognition from the Productivity Commission that all children need equitable access to education and care. However, some groups of children, such as First Nations children, children living with disabilities or additional needs, and/or children from culturally and linguistically diverse backgrounds, may need extra support to facilitate their full access and participation in early learning services.

There has been a significant increase in demand for the Inclusion Support Program, including an average increase in payments made of 11 per cent per year.³ Many children who could benefit from the Inclusion Support Program are missing out due to this growth in demand and growing complexity of requests for support from education and care services.⁴

Children under five years old, including many under one, make up the largest cohort of children living in out-of-home care.⁵ The inclusion of these children in high quality education and care that meets their health, learning, developmental, and cultural needs can provide protective barriers for families, and allow children to thrive despite difficult circumstances.⁶ It is important that the inclusivity of these children is addressed in the Commission's final report and recommendations. There is a need for all education settings to be able to respond to the needs of children and young people in out-of-home care with a trauma-informed approach. A recent Victorian Commission for Children and Young People inquiry found that many of the behaviours (or trauma expressions) of young people in care are commonly misunderstood and treated punitively.⁷ The Centre supports the Productivity Commission's draft report which suggests there is community benefit in the capacity building of educators to work in a more trauma-informed way.⁸

National Partnership Agreement and an ECEC Commission

The Centre also supports the proposed National Partnership Agreement (the agreement) to coordinate early childhood policy and programs across federal, state and territory governments, and the introduction of an ECEC Commission to provide independent advice to governments and monitor progress to universal access.⁹

Currently, ACECQA, the national regulatory body, is responsible for overseeing the national quality standards for all education and care services in Australia. As the report suggests, it will be important to consider whether this existing regulatory system is fit for purpose for this next stage of reform.¹⁰ The proposed agreement stipulates that quality, equity, affordability, and accessibility are the core components of delivering the benefits of ECEC to children and families.¹¹ The Centre would welcome further clarification in the final report as to how national quality service provision would be monitored, evaluated, and responded to and where this responsibility would sit.

Addressing workforce challenges

The draft report considers the significant challenges facing the education and care sector and how these must be addressed if universal access to early childhood education and care is to be achieved. Quality education and care requires a well-qualified, diverse and supported workforce.¹² State-based solutions, such as fee-free TAFE training

³ Deloitte Access Economics. (2023). Review of the Inclusion Support Program Final Report. Australian Government Department of Education. <https://www.education.gov.au/early-childhood/resources/inclusion-support-program-review-final-report>

⁴ Australian Government Department of Education. (2023). Review of the Inclusion Support Program Final Report. p.xvi. <https://www.education.gov.au/early-childhood/resources/inclusion-support-program-review-final-report>

⁵ Australian Institute of Health and Welfare. (2022). Child protection Australia 2020–21: *Rates of admission to out-of-home care were highest for children under one*. <https://www.aihw.gov.au/reports/child-protection/child-protection-australia-2020-21/contents/out-of-home-care/how-many-children-were-in-out-of-home-care>

⁶ Victorian Government. (2019). Early Childhood Agreement for Children in Out-of-Home Care. p.7. <https://www.education.vic.gov.au/Documents/childhood/professionals/health/ecagreement.pdf>

⁷ Commission for Children and Young People. (2023). Let Us Learn: Systemic inquiry into the educational experiences of children and young people in out-of-home care. p.174.

⁸ Productivity Commission. (2023). A path to universal early education and care: Draft report. Australian Government. p.35.

⁹ Ibid. p.33.

¹⁰ Ibid. p.52.

¹¹ Ibid. p.53.

¹² Community Child Care Association. (2022). Roadmap for education and care: Every child and community thriving. p.6. <https://www.cccinc.org.au/sites/default/files/2022-05/CCC-Advocacy-Roadmap-2022-2032.pdf>

qualifications,¹³ are positive steps in attracting new educators to the sector. However, more needs to be done to attract and retain the early years workforce, including increased remuneration, improved working conditions, and better career prospects and opportunities for educators.¹⁴ In addition to attracting new workers, we also need to support the wellbeing of skilled and experienced educators who can mentor future sector leaders. Currently, the challenges of being ill-equipped to support the children in their care is contributing to educators leaving the sector.¹⁵ Professional development opportunities which support more inclusive education and care for children affected by trauma, Aboriginal and Torres Strait Islander children, CALD children, and children with a disability could be useful in stemming the exodus of workers. One reason given for burn-out in Australian early childhood services is the considerable amount of time spent on compliance and administrative tasks.¹⁶ Early childhood educators could benefit from a greater focus on training which prioritises their wellbeing and provides them with emotional strategies to use with those they work with, as is done in nursing and aged care for example.¹⁷ With this support, educators may feel more equipped and well supported to provide the high-level education and care they know children need.

Responding to the needs of families by supporting connections between ECEC and child and family services

The Centre welcomes recommendation 7.2 of the draft report which supports the connection and soft referral pathway between ECEC and child and family service organisations. With funding support from the Commonwealth Government, the Victorian Government is trialling a new intensive education and care model over three years. The service is designed specifically to address the needs of children with trauma and experiences of disadvantage. It is evidence-informed, will generate research to influence policy and practice in early childhood education, and aims to build the capacity and capability of the workforce.¹⁸ A core component of this model is the role of the child and family services sector in delivering this program. It presents an opportunity for the early education and care workforce to be collaborating more closely with the child and family services sector. While educators already play an active role in identifying families with additional needs, the support they are able to provide is limited. A more collaborative relationship with the child and family services sector could provide families with additional supports more quickly, and function as a soft referral point for early intervention wrap-around services.

Conclusion

Overall, the Centre supports the key findings and recommendations of the Productivity Commission's draft report and would welcome working with the Commonwealth government on implementation of the recommendations. In our response, we have drawn the attention of the Productivity Commission to several issues raised in the report which could benefit from additional attention.

¹³ Victorian Government. (2023). Free TAFE boost for early childhood training. <https://www.vic.gov.au/early-childhood-update-february-2023/free-tafe-boost-early-childhood-training>

¹⁴ OECD. (2019). Good practice for good jobs in Early Childhood Education and Care: Eight policy measures from OECD countries. <https://oe.cd/pub/eccec2019>.

¹⁵ United Workers Union. (2022). Exhausted, undervalued and leaving: The crisis in early education. p.2. <https://bigsteps.org.au/wp-content/uploads/2022/08/the-crisis-in-early-education-uwu-report.pdf>

¹⁶ Issues in Educational Research. p.183.

¹⁷ Ibid.

¹⁸ Victorian Government. (2022). Setting vulnerable and disadvantaged children up for success. Media Release. <https://www.premier.vic.gov.au/setting-vulnerable-and-disadvantaged-children-success>