



**Royal Far West**  
Children's health, country-wide

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**Productivity Commission Draft Report**

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**A path to universal early childhood education  
and care**

11 February 2024

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## **Acknowledgement**

Royal Far West acknowledges the Traditional Custodians of the country throughout Australia and the ongoing and important wisdom shared through the continued connection with the land, waters and community. We respectfully recognise the Elders of the past and present and walk with the children who will become future Elders.

## **About Royal Far West**

Royal Far West (RFW) is an Australian children's charity dedicated to improving the health and wellbeing of country children. In 2024, RFW will turn 100 years old and throughout our history our mission has remained unchanged. Our bold ambition is to ensure every country child has access to the services they need to support their early development and enrich their lives.

We offer multidisciplinary allied health screening, assessment, and therapy services for children up to 12 alongside capacity building services for their parents/carers, teachers, and local health professionals to address a range of complex developmental concerns, including disabilities. Our team of 170+ trauma informed, specialist consultants, paediatric trained allied health clinicians and service staff, support children in rural and remote areas in NSW, QLD, WA and Vic, largely in schools and preschools and from our child development unit in Manly NSW.

In FY23 we supported over 21,000 country children, parents and educators. Approximately 30% of the children and families we work with identify as Aboriginal and Torres Strait Islander. Our services are culturally responsive and community-focused, and we work in partnership with schools, the early years sector and communities to support children's development, wellbeing, and resilience.

Following COVID, and in recognition of the importance of having staff located near the communities we service, RFW's staff footprint has undergone a dramatic transformation, moving from a Sydney-based organisation to now having 40% of our clinical and service staff work remotely and located across NSW, QLD, WA, and VIC.

Our three service models are:

- **Child and Family** service – a NSW based residential/telehealth tertiary level assessment and diagnosis service.
- **Schools and Early Years** service – telehealth led services supporting improved learning and life outcomes for children and professional development for teachers and educators in rural and remote settings.
- **Community Recovery** service – in-community and telehealth services supporting recovery from disaster levels events.

## **Royal Far West and the early years**

While all parents want the best for their children, not all parents in Australia have the same access to resources to help their children with their health and development needs. There is a widening gap between the needs of country children and families and the health and education services available in rural and remote regions. The evidence is stark and indisputable – where you live matters. The rates and consequences of not addressing developmental vulnerabilities increase the further a child lives from a metropolitan centre and can have impacts that last a lifetime.

Increasingly our focus at RFW is on the early years, targeting rural and remote children who are developmentally vulnerable, working with the child, their educators, and families. Given that 90% of a child's brain is developed by the age of five, early intervention is key and high-quality support for children aged 3-5 years can make all the difference in changing the trajectory of their lives. RFW currently provides integrated wrap around allied health support to 50 rural and remote preschools in NSW and Queensland and 61% of our client base is under 9 years of age.

With 39% of RFW clients over 9 years of age, we regularly witness the impact on children's learning, relationships, health and wellbeing because of where they live, with little to no access to early intervention services. The issues that they face as an 8- or 9-year-old, are much harder and more expensive to address. Much of the work we do is in schools, because we cannot reach children under 5 as they either live in underserved or unserved markets or instruments like the activity test make ECEC inaccessible for the most vulnerable families.

Increasingly many of the concerns that younger children are presenting with require more than just high quality ECEC, they need wrap around clinical supports that inclusion supports are not adequately providing for. NDIS early childhood partners are also not available in many rural and remote towns.

Allied health professionals play a critical role in early childhood education and care settings. They work in partnership with educators and other professionals to provide support and services that promote the health and development of children. Allied health professionals have specialist knowledge about how to help children learn, grow, and develop their skills.

For the past ten years, our recently retired Healthy Kids Bus Stop program screened over 4,200 children aged between 3-5 years, conducted bus stop clinics in 120 communities and completed over 18,000 assessments. Over 80% of those children required a referral to a local service or our own paediatric allied health services. Of these children referred for further assessment, the highest need was for speech pathology, followed by occupational therapy. Over half of the children assessed were not attending any form of early learning and care.

There is an urgent need to support country children right now as evidenced by the growing divide between city and country in the most recent Australian Early Development Census (AEDC). This gap has widened since the previous AEDC in 2018 and may continue to widen as the impacts of the COVID-19 pandemic continue to be felt. The families and ECEC services we work with are reporting significantly increased levels of anxiety, selective mutism and broader developmental delays.

The AEDC provides a means of identifying communities where children are developmentally

vulnerable or at risk. Given the number of communities within Australia without access to ECEC services and allied health services, there is a need to reconsider how such population-based services could be delivered, particularly in the communities with higher levels of vulnerability in development.

Not addressing these disadvantages has long term economic and social impacts as outlined in the Productivity Commission draft report. Further, research linking the AEDC to children's later mental health has found this early elevated risk is related to a higher prevalence of mental health risk in regional communities. This study highlights the capacity to identify geographical areas within which a high proportion of the child population shows risk for mental disorders at school entry. With the AEDC administered triennially in Australia.<sup>1</sup>

### **General Comments on key points**

A path to universal early childhood education and care draft report identifies most of the key issues facing the sector and the barriers to achieving a universal system. RFW experience of working with thousands of vulnerable families from rural and remote communities supports the commission's findings:

1. Children experiencing disadvantage and vulnerability - who are most likely to benefit from ECEC services are less likely to attend.
2. Block funding for flexible ECEC models will be required in thin markets to ensure their ongoing viability. Especially for those that are already trusted providers with fragile funding models impacting their viability.
3. ECEC services should be inclusive of all children, but government supports fail to reach many children who require them.
4. A new independent Early Childhood Education and Care Commission should be created to advise and monitor government's progress toward universal access to ECEC and to clarify the roles of State and Federal governments.
5. Careful implementation and sequencing of the reform agenda is vital to achieving universal availability.
6. Relaxing activity test for low-income earners should be an urgent priority. The current activity test for the Child Care Subsidy limits access to subsidised childcare and is contributing to at least 126,000 children from the poorest households missing out on critical early childhood education and care. As a result, these children are more likely to start school behind their peers, with many never catching up.

Access to early childhood education and care is often the first step in identifying a child's developmental vulnerabilities. Early identification of developmental difficulties is more likely

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<sup>1</sup> Harris, F., Dean, K., Laurens, K. R., Tzoumakis, S., Carr, V. J., & Green, M. J. (2022). Regional mapping of early childhood risk for mental disorders in an Australian population sample. *Early Intervention in Psychiatry*, 16(12), 1269-1277. <https://doi.org/10.1111/eip.13281>

to occur in the ECEC setting where carers and educators understand the importance of setting kids up to thrive before they start school. Given overwhelming evidence that those that need ECEC and wrap around inclusion supports the most, live in underserved or unserved markets, the recommendations in the final report must urgently address this issue.

## Recommendations

RFW would like to see further investigation to be undertaken to ensure recommendations can be made before the final report is tabled, in the following areas:

1. What is the ultimate objective of a universal early childhood system, who is accountable and what is a reasonable timeframe to achieve universality?
2. Can the right for all children to be able to access high quality early learning and care be enshrined into law regardless of their postcode or parents work patterns?
3. What other funding options are available to achieve a more co-ordinated approach between multiple services systems and funding sources directed at improving child outcomes – CCS, NDIS, Maternal and Child Health and others?
4. A better understanding of the downstream outcomes and costs linked to children currently not accessing ECEC before school – evidenced by AEDC data, NAPLAN, juvenile detention, out of home care, mental health interventions and hospital admissions and how a truly universal early learning system could avoid these?

Why is the need urgent?

Research shows that the Covid pandemic and natural disasters have exacerbated developmental and mental health challenges for all children but particularly children in low SES and regional and remote areas. For example, teachers and early educators on the ground in rural areas consistently report to our RFW teams that following COVID lockdowns there are greater numbers of children they worry about, and these children are increasingly younger and more complex in their needs, including anxiety disorders, selective mutism and greater levels of developmental delay.

A report from NCOSS and Impact Economics and Policy in 2022, Aftershock Addressing the Economic and Social Costs of the Pandemic and Natural Disasters looked at the impact of these events on child development and wellbeing. Although there was limited information on pre-schoolers at that time there is growing evidence of the long-term impact on mental health and wellbeing, development and lost learning. There was also a notable increase of 13.5% between 18/19 to 20/21 calendar years, in the number of children at risk of serious harm across NSW.

[https://www.ncoss.org.au/wpcontent/uploads/2022/10/IE\\_Aftershock\\_Children\\_SINGLES\\_PO.pdf](https://www.ncoss.org.au/wpcontent/uploads/2022/10/IE_Aftershock_Children_SINGLES_PO.pdf)

This is arguably the generation of children that need the greatest level of support, before significant downstream costs to governments.

Harris, F., Dean, K., Laurens, K. R., Tzoumakis, S., Carr, V. J., & Green, M. J. (2022). Regional mapping of early childhood risk for mental disorders in an Australian population sample.



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