



Productivity Commission Inquiry into Early Childhood Education and Care

A submission from The Bryan Foundation

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Contents

Executive Summary	3
Introduction	5
Broadening the conversation	5
ECEC: multiple and simultaneous core purposes	6
Expanding the ECEC mission	8
Bringing about the system our children need	10
Building the workforce that can do it	12
Contact	12

Executive Summary

The Early Childhood Education and Care (ECEC) system, whilst historically expensive for families, inequitably provided, narrow in scope and of variable levels of quality, has worked well enough for sections of the Australian community. However, it can be much better and there is much more it can do – most particularly for children from diverse cultures and children with developmental differences, disabilities and from less advantaged backgrounds. Indeed it can serve as a powerful platform for maximizing Australia's human capital stock, promoting equity and responding to needs now left to the NDIS to address.

To step forward into these roles and to address current deficiencies a paradigm shift must occur: the ECEC system must be reclaimed as a system that can be effectively managed for public benefit – primarily for the benefit of our children and most particularly the less advantaged. The system must be reconceived as a universally available child development system joined up with child and maternal health, family supports, the disability system and with schooling. This is a big change.

Within this context the ECEC system could and should be a platform offering not only early education and care, but – where necessary - also a holistic and linked range of health and other supports for the child and their family.

It could and should be capable of more intensive and specialist supports for children with more complex needs.

It could and should offer viable, long-term careers for educators and support staff, including pathways that recognise and reward those workers who develop the specialist expertise such as that required to detect developmental challenges early and respond to children of all abilities, backgrounds and needs.

It could and should be developed into one of our primary tools to combat intergenerational disadvantage and to Close the Gap.

It could and should be a system for families, a focal point for local neighbourhoods and respond in the right ways to local community characteristics and needs.

We could and should have greater pricing and quality control in a system funded up to 90% by the taxpayer.

And yet – despite the inspiring efforts of many local services and of tens of thousands of committed educators - steps towards achieving such outcomes at wide scale are thwarted. Within the current system architecture there is no pathway to advancing towards these goals. There are no actors with the responsibility to make it happen.

Whether well founded or otherwise, a set of beliefs, practices and policies have come to prevent us delivering the ECEC system our children need. First amongst these is the belief that the ECEC system is not, in fact, a system at all, it is a market – a market subsidised by the Commonwealth and regulated by the States and Territories. Public investment to achieve better outcomes for children – if it could be decided which level of Government and which agency might be responsible for such a thing – must be mediated through the capabilities and priorities of participants in this market. Without care, public investment targeting particular areas of need risks distorting the market, potentially advantaging one provider over another – or so it is held. Within this paradigm public sector efforts to work with providers to create specialist or multi-disciplinary models are feared to be anti-competitive and therefore impossible. Or that building early learning complexes on school sites to promote educational continuity may unfairly advantage the operators of those sites as they would offer a “single drop-off” advantage. This thinking is perverse, but pervasive.

In 2023 there are many pressing challenges facing the ECEC system – none greater than the workforce crisis crippling the sector currently. However this submission seeks to look beyond the immediate challenges and offers a set of ideas about the future role a reconceived ECEC system could play if it were enabled to do so.

Introduction

Preamble

Creating a truly universal early years system that boosts Australia’s human capital and delivers opportunities for every Australian child – including our most vulnerable – is a noble national purpose. The Bryan Foundation appreciates the opportunity to provide this submission to the Productivity Commission Inquiry into Early Childhood Education and Care.

The Bryan Foundation (TBF)

We are a philanthropic organisation whose vision is to support and empower young Queenslanders to change their lives through meaningful education.

We have a particular focus on changing life-trajectories through a focus on the early years and provide direct support for partner-organisations whose education and training programs creatively address the challenges of vulnerable young Queenslanders.

Since inception, the Foundation has donated in excess of AUD\$25 million and, as at 30 June 2022, has a corpus of approximately AUD\$50 million.

Broadening the conversation

An Australian childhood

In many of the most fundamental ways, growing up is not a problem for government. It’s a community undertaking.

So, if the answer to the question – ‘What will it take to “do” growing up better in Australia?’ – is limited to ‘better educational service delivery and tiered supports’, then we miss much of the essential framing required to answer the question.

We need to focus action around the broadest concept of child development. ‘An Australian childhood’ is a public good. Supporting it well, is broader than provision of education and care services. If we grow our children up well, there are benefits for individuals and society as a whole, and conversely, if done poorly, there are consequences for individuals’ wellbeing and exponential costs for society (and governments).

Well-being is a suitably broad construct through which to understand the child development task because it encompasses multiple dimensions. These include physical, mental, emotional, social connectedness, and environmental aspects and this multidimensional perspective offers the possibility of a holistic evaluation of public policy impacts at state and national scale, beyond traditional economic indicators like GDP or income.

From a social justice perspective, a “just” society should prioritise policies that promote the well-being of the least advantaged members of society. Adopting wellbeing as a key construct for our future child development system - as a tool to prioritise action and as a set of measures for evaluation, allows policymakers to better understand the distributional impacts of policies on different segments of society and address disparities in access to the public goods.

Focusing on wellbeing also encourages a shift towards more sustainable and long-term policy planning. Wellbeing at population level is responsive to intervention, but the interventions need to be multi-faceted and need to be sustained over time. By considering the broader implications of policy decisions on social, environmental, and economic factors, governments

can develop strategies that promote the well-being of not only the present but future generations.

The national conversation is broadening, as evidenced by a push for a National Early Years Strategy, and concomitant development of the next generation of the Treasury Wellbeing Framework, which will be an Australia-specific application of the OECD wellbeing framework.

These policy shifts, and the social movements driving them, are the ones within which a future ECEC system will sit.

ECEC: multiple and simultaneous core purposes

One system that delivers in many ways

ECEC, if conceived as our main platform for child development, is not a one-size fits all model. We do a disservice to the diversity and complexity of Australian childhoods when we suggest that it has a singular purpose or that it should manifest the same way across our community. A capacity to serve multiple purposes and respond to different complexities within a local population of children is what we should hope for from Australia's ECEC system.

ECEC supports child development

The first 2000 days of a child's life, starting from conception, is a period of immense growth and development. It sets the foundation for the child's future health, wellbeing, and learning. Hence, the support parents and caregivers receive during this period is vital.

In terms of the individual child, the purpose of ECEC must be to nurture children in all aspects of their development - cognitive; social and emotional; physical; and language and communication – and, further, to nurture the family's capacity to care.

ECEC supports national productivity

Government investment in ECEC is often related to national productivity and the economic benefit of expanding the available national workforce. Beyond developmental benefits to children, this is ECEC as childminding at efficient scale, allowing some parents, and especially women, to use ECEC services to return to the labour market. Whether this is a desire to work or a requirement to work, relates back to the relative socio-economic standing of families; and also Australian and employer paid parental leave entitlements, but in either case, the function of the ECEC service is to enable working hours for parents.

Despite the relationship between economic productivity and social advantage, The Bryan Foundation believes that investing in a public good, such as raising children, should not be solely defended through an appeal to economic benefits. Limiting our arguments to economic analyses can restrict our capacity for moral, ethical, and creative action. Traditional economic analyses, while useful in some contexts, fail to capture the full breadth of non-economic aspects of quality of life, gloss over inequalities, conflate market valuation with citizenship, and neglect the value of uncompensated economic activities such as home-making and child-minding.

A Universal ECEC system supports equity

Raising tomorrow's generation of Australian children is today's great work. Having children and raising them to be responsible, empathetic, and productive citizens ensures the continuation of society. When we provide the necessary supports to parents and families to do this work well, we contribute to a better future for all.

ECEC service provision has a key role to play in promoting a national equity agenda. Taking action to protect and improve the world for future generations upholds the principle of intergenerational equity and demonstrates a commitment to the public good.

What are the best ways to interpret ECEC through this lens of equity and public good?

Firstly, when a public good or service is available, everyone can use it, regardless of whether they have paid for it or not. For example, early years health, education, or housing services would be considered public goods if they were accessible to all children and their families.

Secondly, one person's consumption of a public good or service should not diminish its availability or quality for others. This means that multiple people can use or benefit from the good simultaneously without reducing the amount available to others. In the context of early years services, this means that one child's or family's use of a health, education, or housing service should not reduce the availability or quality of services for others.

Comparing the availability of ECEC services across different geographical areas or socio-economic groups can help determine whether these services are public goods. Indicators such as the number of service providers per capita, the distance to the nearest provider, or the waiting time for service access can be used to assess accessibility.

Examining the cost of ECEC services relative to family income can also help assess whether a service is a public good. If the cost of a service is prohibitively high for certain income groups, it may effectively exclude them from accessing the service. Measures such as the proportion of income spent on the service or the availability of financial assistance can be used to assess affordability. It follows that if ECEC is to be considered a public good, society as a whole, rather than individual parents, should share the responsibility for financing and providing early childhood education and care.

ECEC can address social and educational disadvantage

ECEC should be embraced for its capacity to address intergenerational disadvantage. In addition to providing education and care for vulnerable children a reimagined ECEC system can bolster the social supports around children born into challenging community or family contexts.

ECEC cannot grow to embrace all of health, family wellbeing, housing and employment policy but it can reach into those spheres and bring coherence to the service offerings they provide, providing a platform for integrated delivery. It can also influence the way they support or otherwise the development opportunities of our children more broadly. For example:

- **Parental Engagement and Education:** ECEC programs often offer resources and opportunities for parental education, helping parents and caregivers understand child development and equipping them with strategies to support their child's learning at home. This can extend to access to formal family support programs and skill building aimed at parents and carers.
- **Community Connection:** ECEC programs often serve as hubs for local communities, providing opportunities for families to connect with each other, as well as access to other resources and services. Enhancing facilities and programming to enable social connections can take this natural role at the centre of local communities further.
- **Nutritional Support:** ECEC programs often provide nutritious meals, which are particularly important for children from families struggling with food insecurity. Expanding this offering into lifeskills education and nutritionist / dietician services would be a welcome extension.

- Providing High-Quality Education: ECEC can help to compensate for the lack of learning resources and opportunities that disadvantaged children may face at home. It offers children a stimulating environment where they can develop crucial skills and dispositions for learning.
- Early Detection and Support: ECEC can help identify developmental delays, learning disabilities, or other issues that are more prevalent in disadvantaged children, allowing for early intervention and support. Our current dis-jointed system could best be characterised as a “wait to fail” model designed to ration services to those in most demonstrable need. This results in a late intervention system with high barriers to entry that is wrong, wasteful, inequitable and unaffordable. The runaway costs of the NDIS are in part driven by the downstream costs of missed early intervention opportunities in the first years of life. Whilst unintended and regrettable the scale of these cost impacts presents a powerful case to reinvigorate a truly universal early intervention system delivering fast, early support with very low barriers to entry for children with suspected risk profiles.
- A platform for coordinated service delivery to families: ECEC services can be imagined as a place for families – with health and other supports from pregnancy and the post-birth period all the way through to transition to school. Current examples of integrated child and family centres and integrated “birth-to-graduation” school models show the way and often feature co-located ECEC services ... but these models deserve to be more widely adopted and fused with ECEC services routinely.

Expanding the ECEC mission

A cornerstone of the First 2000 Days pipeline

Embracing these multiple purposes opens up the opportunity to redesign the ECEC system as a central means of delivering a coordinated pipeline of child development and parenting support services across the first 2000 days. Onsite delivery of relationship-based maternity and child health services, maternal mental health, developmental supports, parenting education even through to training and employment opportunities for parents should be in scope. Such offerings make sense and are welcomed by parents and many examples already exist. The opportunity is to create a system that plans and delivers such services at scale.

A solution to the fragmentation of social services delivery

Reconceiving of the ECEC system in this way would have a galvanising effect on the wider social services system. Fragmentation is a debilitating feature of most local service systems where services and supports are provided by an often bewildering array of agencies, professionals, health services and community and non-government organizations.

Recreating ECEC services as one stop child development shops would provide a focal point for local service systems, catalyse better system-level planning and, of course, provide vastly superior access for kids and families to the things they need.

Early detection and multidisciplinary therapeutic support

A properly supported ECEC system with an appropriately paid and trained workforce would be a more effective, efficient and accessible way of identifying and addressing many childhood developmental challenges that are now increasing left to the NDIS to respond to through high-cost clinical services. A well trained ECEC workforce with sufficient time and support to embrace this role could not only detect early signs of vulnerability, it can play a major role in delivering the therapeutic response. Models such as the *Inklings* model developed by the

Telethon Kids Institute are centred around the early delivery of therapeutic routines that are able to be delivered by parents and care-givers including ECEC staff. For children needing further clinical services and supports in-reach services from local health partners can be planned and delivered in the familiar and welcoming environment of the local ECEC centre.

Integration with schooling

The opportunity to drive even greater service integration and universal access may come from strategies to integrate ECEC services into local school communities. Models such as the Our Place (Victoria), FamilyLinQ (Queensland) and Challis (WA) models create a birth to graduation offering on local school sites – offering everything from maternity care through to adult education and employment on the school site. Such models create powerful social norms and highly legible pathways through early childhood and into school for children and families to follow. They deserve widespread adoption and should be designed into system planning and investment schedules.

Investing in settings and programs adjacent to the ECEC system

A reconceived ECEC system should embrace other early childhood modalities that currently sit alongside the current system. Integrated child and family centres, supported playgroups, outreach and home-visiting services, along with the integrated school models discussed above are adjacent to the current ECEC system and are planned and invested separately. There is no sound reason this should continue to be the case. They are all important modalities for boosting child development outcomes and have complementary features that should be supported alongside the current centre-based conception of ECEC provision. Recent work led by Social Ventures Australia has scoped the costs and benefits of wide scale roll-out of integrated child and family centre models.

Specialist models to address children with particular needs

We already have evidence of the power of the ECEC platform to be used as a base for more intensive supports to children with extra and complex needs. The Parkville model originating in Victoria and similar services supported by Act for Kids and others have achieved remarkable remediation in the developmental impacts of trauma on children in and near the child protection system. These models – involving many hours of care with low care ratios and access to specialist supports – offer compelling alternatives for at risk children. Specialist autism-focussed early learning centres – again with more intensive programs and access to appropriate levels of specialist support – show what can be achieved for children with significant disabilities and deserve population-scale provision.

Culturally adapted models

Raising children is perhaps the most deeply culturally embedded practice of all human behaviours. It follows that ECEC services can and should be delivered with enough flexibility to support and celebrate the family and cultural heritage of children from different backgrounds. Bi-lingual models, two-generational models involving parents and kin, flexibility in hours and places of delivery – these are all features experimented with but not well supported within the current system. A clearer path to negotiating and supporting these models would be a welcome feature of a future system.

Bringing about the system our children need

A long-term commitment to a reimagined system

Standing in the context of today's ECEC system, the scaled adoption of the changes discussed in this submission seems a somewhat remote prospect. A rethinking of how the existing system is funded and the share of responsibilities across Commonwealth agencies and across the States and Territories will be required. But much might be achieved by through the diligent pursuit of a 10-year transformation project. Here are some thoughts as to how to get started.

Direct funding of integrated ECEC models

Government could begin to build the new ECEC system by directly funding holistic service packages that provide on-site health services, parent education programs, or community outreach initiatives. Provision of these services could be enhanced through coordinated system-level planning across relevant agencies. These holistic service packages could flow direct to services to be built atop the spine of core ECEC funding underwritten by the child care subsidy. Alternatively they could go to service and health agencies which then coordinate with centres in target locations.

Partnering with philanthropy

At proof-of-concept scale partnerships with philanthropic foundations may offer a relatively rapid and nimble way of bringing holistic or more intensive service models to life. Indeed there are several examples afoot currently. Philanthropy has a keen interest in promoting such models and will be a ready partner in proof-of-concept projects, but scaling and long term sustainment remain the responsibility of the public sector.

Multi-system planning and place-based reform

Success has been achieved in better coordinating local health and social service systems to deliver holistic child development offerings through place-based initiatives operating in numerous communities around Australia. The Logan Together initiative, WA's Early Years Partnership and similar projects in Mildura, Benalla, Ceduna and elsewhere have used collaborative planning and relational processes to make progress. Logan's First 2000 Days project led by the local PHN now supports over 70 ECEC services with a range of child health services in-reaching and with well scaffolded links (via community navigators) to other providers along the clinical pathway. These approaches require investment in the system-coordination and navigation functions to maximise existing available resources.

The challenge of public intervention in the current ECEC market

For the strategies discussed above to be entertained, serious thought must be given to reforming the market-based paradigm in which the ECEC system currently operates. Whether insurmountable barriers to public investment in new generation ECEC models actually exist, whether they are imagined, or perhaps a combination of both, it remains exceedingly difficult to engage policy makers in initiatives that build towards the kind of services our children need. The ECEC sector is seen as a market in which public sector intervention is inappropriate and fraught with risk.

A related but separate challenge is the lack of clarity as to where responsibility for further investment in the ECEC system may lie. In the absence of a "Department of Child Development" with a clear mandate to provide for and join up the experiences and supports

our children and their families deserve there is an ongoing confusion between the domains of health, education and child and family services as to who might be expected to do what to advance a child development agenda. This confusion extends to Commonwealth / State relations.

Incentivising change in practice

In addition to direct funding towards desired models, Government might try to incentivise take up through channels such as:

- **Regulatory Adjustments:** Governments could modify regulations to encourage or require ECEC providers to offer additional services. For example, they could include these services in quality standards or accreditation criteria.
- **Tax Incentives:** Governments could offer tax benefits or credits to ECEC providers that offer comprehensive services. This would reduce the financial burden on these providers, making it easier for them to expand their services.
- **Recognition and Awards:** Governments could establish recognition programs or awards for ECEC providers that offer comprehensive, innovative services. This not only provides a form of incentive but also helps to share best practices across the sector.
- **Professional Development and Training:** Governments could fund or provide professional development and training programs that equip ECEC staff with the skills and knowledge to offer a broader range of services.

Regulatory adjustments

Incentivising an expansion towards a broader conception of the early childhood remit though the regulatory framework could be a cost effective strategy and support the within-service culture change required.

In terms of the "education" remit in an agency sense, ECEC services are primarily regulated by the Australian Children's Education & Care Quality Authority (ACECQA) and the relevant State Department of Education. The role of these agencies is to ensure high-quality early childhood education that fosters children's holistic development, safety, and wellbeing. ACECQA specifically oversees the implementation of the NQF, including the National Quality Standard (NQS), which sets a high national benchmark for ECEC services.

Each Quality Area of the National Quality Standard (NQS) could be infused with an expanded remit and a more locally-responsive approach in the following ways:

- **Quality Area 1 - Educational Program and Practice:** A more holistic and locally responsive approach would involve designing educational programs that respect and respond to local cultural practices, values, and languages. It encourages educators to consider the individual needs of each child, including their health and wellbeing, and to engage with families and communities. This would cover elements such as parental education, early literacy support, resources for early stimulation and learning, and support for special needs.
- **Quality Area 2 - Children's Health and Safety:** This could involve collaborating with local health services and organizations to address health issues prevalent in the community. It could also mean adapting safety practices to local conditions and risks.

- Quality Area 3 - Physical Environment: An enhanced approach would mean creating environments that reflect and respect the way the local natural and built environments are used by communities. Physical environments need to be conducive to active outdoor play and in an ideal state, link in with local community spaces that enable ongoing social connection and community participation. It could also mean engaging families and communities in decision-making processes and co-design of the placement of and the nature of the learning environment.
- Quality Area 4 - Staffing Arrangements: This could involve recruiting and training staff from the local community, which can enhance cultural competence and community connections. It would also mean strengthening the multi-disciplinary skills of staff and recruiting and training to support a broad child development skillset across teams.
- Quality Area 5 - Relationships with Children: An enhanced approach would involve fostering relationships that respect and affirm children's local identities, cultures, and experiences. It could also mean helping children build relationships with their local community and environment.
- Quality Area 6 - Collaborative Partnerships with Families and Communities: This would be at the heart of a place-based approach and the real driver of an expanded remit for ECEC services. This area focuses on the importance of collaborative relationships with families and the wider community to enhance children's learning and wellbeing. Services that fall under this area include mental health support, community connections, prenatal education and support, and balancing work and family life. It could also mean engaging families and communities in decision-making processes and advocacy efforts.
- Quality Area 7 - Governance and Leadership: A more holistic approach to governance would involve making decisions with local communities, including building the readiness of local communities to participate in this decision making. It could also mean advocating for policies and resources that address local issues and customising local resources and service partnerships to better meet local needs.

Building the workforce that can do it

Viable, long-term careers in child development

With the current crisis in the ECEC workforce threatening the very viability of the sector, it is hard to contemplate a future that asks more of those who work in it. But a proper valuing of the public good that is child development will hopefully come with more equitable pay and conditions. Atop this important reform can come deeper, more robust career structures with higher pay for more senior and specialist roles. With certainty about the future of the sector and the careers it offers can come more robust supporting infrastructure, multidisciplinary qualifications and a pipeline of talent. One of the essential tasks to support the transformation to the ECEC system of the future will be the considered planning and committed investment required to support viable, long-term careers in child development.

Contact

For further discussion of the matters raised in this submission, please contact Gayle Evans at The Bryan Foundation