

Inquiry into Early Childhood Education and Care

Productivity Commission
February 2024

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The Benevolent Society

The Benevolent Society has been operating since 1813. Our history reflects a passion for helping people live life, their way. We know that anyone in the community could, at some point in their lives, need support from us. We have rigorously campaigned and advocated to create meaningful policy and legislative change for all Australians, especially those at greatest risk of exclusion and disadvantage.

We are unwavering in our conviction that people can build their best lives, even in the most challenging settings, with the right supports and interventions. Our campaigning was integral to:

- Free legal aid
- Age pensions
- Specialist maternity care and establishing the Royal Hospital for Women
- An end to child labour
- The Goodstart Early Learning syndicate
- Early social enterprise entrepreneurship through setting up Social Ventures Australia, and
- Australia's first social benefit bond to mature, supporting The Benevolent Society's Resilient Families Program.

The Benevolent Society is a multi-service provider, with services ranging across age groups and cohort types. We provide early childhood services, disability services, services to support older Australians to live well in the community, and services to support people in times of crisis.

The Benevolent Society has a deep and coherent understanding of how service systems interact with each other, the needs of our client groups and how the perspective of clients can be best leveraged into broader conversations. We think about our service delivery in the context of the bigger picture – we understand that no one sector or organisation controls all the levers necessary to deliver choice, control and quality of life opportunities to the people who access human services or to deliver social change.

The Benevolent Society brings a system leadership mindset to all that we do. Complexity demands collaboration: we are better together. Our experience tells us that collaboration between organisations produces the best outcomes for vulnerable Australians, especially when collaborations are grounded in the resources and knowledge of local communities.

More information about The Benevolent Society is available at www.benevolent.org.au

Executive Summary

The Benevolent Society's vision is for a just society where all Australians can live their best life.

Fundamental to our work is the understanding that all Australians contribute to the richness of our communities. We recognise the worth, potential, and inherent dignity of every person; and the power of diversity when operating in a complex environment.

Our experience is as a provider of child, youth and family services throughout metropolitan, regional, and rural New South Wales, Queensland and South Australia.

The Benevolent Society has a long history of working with children and families in the first 1000 days. Our practice wisdom frames how we advocate for people in need and guides our social change priorities. We are experts in the early years, providing a range of services from targeted intensive family preservation through Resilient Families to universal integrated Early Years Places. As an NDIS Partner in the Community providing the Early Childhood Approach, we use our deep understanding of child development to assist children with developmental delay to reach milestones without long term NDIS plans. These services speak to and inform our social change work, while our social change activities shape and respond to the broader world we operate in.

The Benevolent Society is a strong supporter of integrated ECEC.

Extraordinary preventive work can be done where integrated child and family services or hubs exist. The Benevolent Society is the largest and longest-standing provider of integrated Early Years Places in Queensland and members of the **National Hubs Network**. Early Years Places are one-stop-shops or service hubs supporting the health, development, wellbeing, and safety of families who have young children aged up to eight years. Their design is both consistent with, and builds on, the theoretical evidence base describing what makes a strong, fully integrated, place-based support system for socially excluded families through an ECEC setting.

The Draft Report's findings and recommendations are strongly supported.

The Benevolent Society strongly supports the Committee's commitment to achieving universal ECEC. If implemented, we agree this reform agenda will shift Australia towards an early years system with ECEC that is Accessible, Affordable, Inclusive and Flexible for all – stewarded by coordinated and collaborative governments. As a member of the Goodstart Syndicate we reiterate **Goodstart Early Learning** in calling for the final report to extend and strengthen some of these recommendations – paying note to those areas that need to be changed or clarified to achieve the universal ambition.

This submission:

1. Responds to the Commission **Requests for Information 2.2, 5.1, 6.1, 7.2** and **9.1** - with a particular focus on integrated services.
2. Illustrates the impact of integrated ECEC through Sarah's Story
3. Endorses the recommendations of Goodstart Early Learning as a Goodstart Syndicate member.

Requests for Information

The following responses include learnings from The Benevolent Society’s Early Years Places which often have an ECEC component and demonstrate the benefits of integrated child and family hubs for vulnerable children and their families.

The Benevolent Society Early Years Places are co-located with our ECEC kindergarten and long day care services but managed under a separate funding stream and outcomes model. They offer supported playgroups, parenting programs, allied health practitioner, targeted family support, and health support via additional co-facilitation and location with children health services. Families accessing ECEC services through The Benevolent Society are directly linked into our Early Years Places and their integrated systems and holistic wrap around supports including disability, intensive family support, trauma, and other behaviour supports.

Early Years Places provide a whole of system approach for children and their families. Supporting through each transition point from initial entry into early childhood programs, attendance in ECEC, and then onto the school system (often co-located in the same block as the ECEC or Early Years Places).

A. Information Request 2.2 - Cultural Safety in ECEC Services

Align recommendations and investment towards meeting our National Agreement on Closing the Gap commitments.

The 2023 OECD report showed Australia’s enrolment rates for ECEC are below average – with participation gaps for First Nations children noted as one of the key challenges¹. The Benevolent Society acknowledges and adopts the position of **SNAICC – National Voice for our Children** and support their calls for all governments and reforms to “substantially shift the way they operate, think about and interact with Aboriginal Community Controlled Organisations (ACCOs)” or risk continuing to “fail Aboriginal and Torres Strait Islander children”².

Look to embed cultural safety in ECEC - one-off training or single points of professional development are not sufficient.

There is an allyship role for mainstream organisations here in supporting and linking with local ACCOs. The most effective way to promote cultural safety is in partnership with the First Nations community. This is an investment of time and effort – and The Benevolent Society’s experience is that building genuine partnerships requires funding certainty for success. For example, the partnership between **The Benevolent Society and the Institute for Urban Indigenous Health** (IUIH) was established with funds available under the ECA block funded-style approach. Having separate funding for innovation was crucial to the partnership’s successful establishment. Over the last three years this partnership has lifted the number of First Nations families engaging with the Early Childhood Approach from below the population level to significantly above³. This program continues to work because IUIH is the lead – they are the recognized cultural authority. Ongoing the model has been set up to ensure delivery continues to be led

¹ OECD (2023). *Education policy outlook in Australia*. OECD Education Policy Perspectives. No. 67. OECD Publishing. Paris. <https://doi.org/10.1787/ce7a0965-en>.

² SNAICC (2024). Media Release: Business as usual failing Aboriginal and Torres Strait Islander peoples – Productivity Commission

³ For example: 1,144 of 11,777 or 9.7% of access decisions in our three regions are represented by children who are Aboriginal and or Torres Strait Islander, this is significantly above the population level of Aboriginal and Torres Strait Islander people in our three regions of: Caboolture/Strathpine 3.9%; Brisbane 1.8% and; Logan/Beenleigh 4.2%.

by the First Nations community, with The Benevolent Society funding a leadership position that is employed and sits within IUIH.

Learnings from The Benevolent Society's Early Years Places

In Cairns The Benevolent Society has partnered with the [Wuchopperen Health Service](#) to increase the cultural safety of our early years spaces. Services that have the greatest impact for First Nations families are led and designed by the First Nations community. This program works because Wuchopperen Health Service employees are co-located on site – ensuring First Nations families can seamlessly access culturally appropriate family support and universal early years programming. For example, the 'Yarn and Craft' group - a place for First Nations mothers to connect with each other in a safe space and build rapport and trust. This soft entry to engagement is a strength of the partnership. The co-location also means benefits are shared by non-First Nations families who also develop relationships with the on-site Wuchopperen employees, increasing their cultural understanding.

This partnership works because cultural safety and understanding is embedded, with Wuchopperen Health Service employees integrated into The Benevolent Society team, and working from The Benevolent Society sites.

The Benevolent Society recommends the Commission's final report include:

- (1) Grant funding to establish more independent ACCO ECEC services and block grants to cover their capital and operating costs (*as an extension to Draft Recommendation 5.1*),
- (2) A mechanism that nurtures more partnerships between ACCOs and mainstream ECEC providers to embed culturally safe practices within early years settings,
- (3) Scope for the ECEC Commission to include the analysis of ECEC data on access for First Nations children and use of this data to establish partnership projects in regions where they are most needed (*as an extension to Draft Recommendation 9.2*).

B. Information Request 5.1 - Low rates of expansion among not-for-profit providers

The Benevolent Society strongly endorses Goodstart's proposal that Not-For-Profit (NFP) sector growth should be an express public policy priority.

The Commission's *Draft Finding 5.2* noted much of ECEC growth is accounted for by for-profit centre-based day care. The Benevolent Society agrees with Goodstart's argument that NFP providers are more closely aligned to the delivery of the overarching objectives of a universal ECEC system of affordability, accessibility, access and quality. Expanding the NFP part of the sector should therefore be an explicit recommendation in the final report - carried out via deliverables for the new ECEC Commission, with specific targets, investment and support.

Expanding integrated models requires support from government and flexible funding.

Sophisticated models of practice would need to be supported - this may mean co-commissioning of shared outcomes with local health, education and social service funders. The Commission's draft report has recognized the value of an 'integration function' or 'the glue' as a crucial component of integrated child and family hubs. While the Interim Report of the South Australian Royal Commission into Early Childhood Education and Care found this work is underfunded and under-recognised – noting the

creation of ‘the glue’ is challenging given the involvement of different layers of government and non-government players in early childhood services.⁴ In The Benevolent Society’s experience the most successful integrated programs are designed and implemented with, and for, the community in which they operate. Collaborating with other non-government service providers, ACCOs and the relevant State or Territory Government can create even more benefits for clients. Funders and program designers would need to take on a social entrepreneurial mindset, engage proactively in service design with local providers and have the authority to resource and broker integrated supports with accredited service providers and local mainstream services. This is the collaborative approach taken in The Benevolent Society’s Early Years Places, funded by the Queensland government. Their soft entry means children walk through the doors to a range of services that can be tailored for each family in a non-stigmatising and family friendly way. Their strength comes from an ability to engage vulnerable families, identify developmental and family risks early, and then retain families long enough for supports to have impact.

Use the ECEC Commission to expand integrated child and family hubs via a national approach.

To realise the full impact of these and scale them up effectively, filling evidence gaps must also be a priority. As members of the National Child and Family Hubs Network, The Benevolent Society supports their call for the development of a National Framework for Integrated Child and Family Hubs – that would outline a national approach to implementing, funding, and evaluating Hubs with consistent impact measures⁵.

Learnings from The Benevolent Society’s Early Years Places

The improved wellbeing of children and their life outcomes through integration and the wraparound of supports has been detailed in the [2022 Social Outcomes Impact Report: TBS Early Years Places in Queensland](#)⁶. This early research showed through a breakeven analysis that it only takes one child in a cohort to ‘do well’ for the benefits to exceed the costs¹. The key benefit supporting the breakeven analysis being the assumed reduction in predicted early school leaving rates derived from engagement with The Benevolent Society Early Years Places developmental and family supports. By reducing early school-leaving the risk of lifetime unemployment and associated social costs is also reduced.

The Benevolent Society recommends the Commission’s final report include:

- (4) Increased investment and support for integrated child and family services that co-locate ECEC services with multidisciplinary teams that wrap around children and their families (*as an extension to Draft Recommendations 7.1 and 7.2*).
- (5) Scope for the ECEC Commission to develop a national Integrated Child and Family Hubs framework to test, measure impact, and implement at scale (*as an extension to Draft Recommendation 9.2*).
- (6) Support for Goodstart in calling for infrastructure planning to include scope NFP ECEC services on site as a way of removing the ‘land cost’ barrier. For example, the process for new schools in Victoria & WA, the NSW process for exploring opportunities on current school sites where there is demonstrated demand, as well as opportunities to co-locate with other new state infrastructure like hospitals.

⁴ Government of South Australia (2023) *Royal Commission into Childhood Education & Care. Interim Report. 2nd Edition p63*

⁵ Honisett S., Cahill R., Callard N., Eapen V., Eastwood J., Goodhue R., Graham C, Heery L., Hiscock H., Hodgins M., Hollonds A., Jose K., Newcombe D., O’Loughlin G., Ostojic K., Sydenham E., Tayton S., Woolfenden S. and Goldfeld S. (2023). *Child and family hubs: an important ‘front door’ for equitable support for families across Australia*. National Child and Family Hubs Network.

⁶ Social Outcomes (2022). *Impact Report: TBS Early Years Places in Queensland*.

C. Information Request 6.1 - Potential modifications to the activity test

It is time to abolish the activity test.

The Productivity Commission has rightly recognized that the activity test limits ECEC accessibility. Removing the Activity Test will immediately increase access to ECEC for at least 126,000 children from the poorest households currently missing out on ECEC⁷. The removal or substantial review of this barrier for families is a position already recommended by the ACCC⁸ and Australia's 10 Year Plan for Women's Economic Equality⁹ as crucial to increasing ECEC participation. While we support the Commission's intent and reasoning for relaxing the Activity test, recommend instead this barrier should be removed entirely.

The Benevolent Society recommends the Commission's final report:

(7) Include the immediate removal of the Activity Test.

D. Information Request 7.2 - 'System navigator' roles in the ECEC sector

Children and families currently bear significant costs from poor systems interfaces and integration.

We know children do best when their needs are met across all wellbeing domains - housing, learning and health, a need to participate, to be heard; and to be connected to community and culture¹⁰. It is also better when this support is 'stacked' in the early years of their lives¹¹. The Benevolent Society supports the Commission proposal that System Navigators could reduce these barriers to access.

There are similarities and crossovers between the proposed ECEC 'System Navigator' and NDIS 'Navigator' roles that should be examined.

This 'System Navigator' role should enhance and be aligned with the proposed NDIS Navigator roles, with:

- the intent firmly focused on improving outcomes for children and their families.
- a multi-dimensional and collaborative approach to considering needs.
- allowance for the level of assistance provided to 'ramp up or down' depending on the complexity of the child and family's needs.
- functions that include outreach, engagement and rapport building with families, as well as support to explain and guide families.

Learnings from The Benevolent Society's Early Years Places

The '**Community Connector**' role that exists in our Early Years Places could give some insights into defining a successful system navigator role. Separately funded through the Community Child Care Fund (CCCF), these employees support families to achieve individualised solutions that are local and flexible - creating bridges between formal and informal assistance. More family advocate than operational or transactional, they focus on supporting a family to successfully engage in ECEC. Importantly because this role is separately funded there is no tension created for Managers who would otherwise have to choose

⁷ Impact Economics and Policy (2022). Child Care Subsidy Activity Test: Undermining Child Development and Parental Participation.

⁸ Australian Competition and Consumer Commission (2023). Childcare Inquiry – Final Report. Commonwealth of Australia

⁹ Department of the Prime Minister and Cabinet (2023) A 10-year-plan to unleash the full capacity and contribution of women to the Australian economy 2023 – 2033. Commonwealth of Australia

¹⁰ Goodhue, R., Dakin, P., Noble, K. (2021) *What's in the Nest? Exploring Australia's Wellbeing Framework for Children and Young People*. ARACY, Canberra.

¹¹ Molloy C, O'Connor M, Guo S, et al. (2019) *Potential of 'stacking early childhood interventions to reduce inequalities in learning outcomes*. J Epidemiol Community Health.

between resourcing this position and managing the often-stretched supply, skills and resourcing needed to deliver quality ECEC services to children on-site.

This role is successful because it takes many forms: **a guide** - supporting families through the process, **a translator** - providing and explaining information to families, **a linker** - helping families get access to crucial wraparound supports like housing or allied health.

The Benevolent Society recommends the Commission’s final report:

(8) Aligns any ECEC System Navigator role with the recent NDIS Review ‘Navigator’ recommendations - to protect against creating additional layers of complexity.

E. Information Request 9.1 – An ECEC Commission

A successful model will need all stakeholders at the table – working together to align frameworks, funding models, and evaluation metrics.

We know fragmentation across early years systems discourages collaboration and impedes service delivery. Cooperation from all jurisdictions via an independent ECEC Commission would help to address the issue of silos more fully. This is also an opportunity to recognise the unique value of all early years stakeholders, by including representatives from the Not-For-Profit Sector and Aboriginal and Torres Strait Islander Community Controlled Organisations.

Drive accountability by establishing, capturing, and publishing a set of nationally agreed measures.

Good data provides the evidence for good decisions. Collecting the right data can improve outcomes by bridging knowledge gaps and ensuring greater accountability. A nationally agreed set of measures would improve data visibility, specificity, and utility for public policy investment and commissioning decisions. Harmonising relevant data into a publicly available national data source would provide crucial evidence for investments and more confidence to scale what works. Numerous organisations in Australia publish report cards on the wellbeing of children with robust qualitative and quantitative research evidence¹²¹³¹⁴. But our data sets don’t talk to each other. Tackling the silos in our early years must extend to the fragmentation of data. Creating alignment on these metrics would help reduce gaps and duplication in reporting, building our evidence base for innovation that can flow on to service delivery. It would also enhance the way government, non-government, and industry fund their plans – so we can ensure they have the maximum impact on the lives of children and their families.

The Benevolent Society recommends the Commission’s final report:

(9) Include scope for the ECEC Commission to agree and publish a set of consistent and harmonised early years impact measures.

¹² Australian Institute of Health and Welfare (2020). *Australia’s children*. Cat. no. CWS 69. Canberra: AIHW

¹³ Australian Human Rights Commission (2019) *Children’s Rights in Australia: a scorecard* <https://humanrights.gov.au/our-work/childrens-rights/publications/childrens-rights-australia-scorecard>

¹⁴ Harman-Smith, Y., Gregory, T., Sechague Monroy, N., & Perfect., D. (2023). Trends in Child Development (AEDC 2021 Data Story). Australian Government, Canberra. Available at www.aedc.gov.au

Sarah's Story

The following is a condensed version of a case study developed as part of The Benevolent Society and Social Outcomes Impact Report on its Queensland Early Years Places – it represents a collection of experiences by families who engage with the Early Years Places. The names do not depict any specific Early Years Place family.



“They always put my needs first and ask me what I want to do and then they support me to do that thing. I feel respected and I feel in control of my life for the first time in a long time.”

30-year-old Sarah is in a de facto relationship and has a daughter, Michelle (3 years old) and a son, Jack (5 years old).

They live in social housing. Both the children and their father identify as being of Aboriginal descent. Michelle and Jack are both experiencing developmental delays. Sarah left school in Year 9 and does not currently have a paying job. She has a long history of experiencing domestic family violence (DFV) in the home, which has been regularly observed by her children. She wanted to separate from her partner but has struggled to navigate that process.

Sarah first found out about the EYP when her doctor at the local Aboriginal and Torres Strait Islander health service suggested that she make contact.

After calling the service, Sarah was invited to bring Jack and Michelle to the Explorers Playgroup which is specifically designed for children experiencing developmental delays. She always feels welcome and has begun to make some friends there. It feels like a safe place she can come to where there is no judgement, just friends and staff who support her.

Sarah also quickly realised that the staff were an amazing resource for her.

There was an occupational therapist, a speech pathologist and a child and family practitioner all under the same roof and she could ask them any questions she had about how best to support her children whenever she wanted to. After attending the Explorers Playgroup for a while, Sarah began to feel safe to

open up to the group about some of the difficulties she was experiencing at home. Kathy, the child and family practitioner who attended the playgroups twice a week, heard what Sarah was saying. Kathy offered to talk to Sarah separately from the group to find out she could support her at home. After a few meetings with Kathy, Sarah opens up on the details of how her partner is treating her at home and that she sometimes has suicidal thoughts.

Kathy asks Sarah's permission to gather some people around a table to figure out what they can do to support her.

Sarah agrees, and at the meeting Kathy explains that Sarah is experiencing financial coercion as well as physical violence at home. She wants to leave her partner but is not ready to do so. She doesn't know where she will go to live and has never held a job for more than a few weeks. Kathy also mentions that the playgroup facilitator, occupational therapist (Mary) and speech pathologist (Jan) who attend the Explorers Playgroup have all observed that Jack and Michelle are failing to meet their expected developmental milestones and are showing signs of social and emotional concerns. Together, Sarah and the team decide that Kathy, Jan and Mary will provide ongoing regular support and that they will invite an early intervention parenting specialist from Queensland Health to the EYP to see Sarah too. They also set up a number of warm referrals with several of the EYP's partner agencies.

Over time, Sarah's relationship with Kathy grew to be so strong that even after her original issues had been addressed Sarah continued to 'check in' with Kathy.

When the time came for Michelle to go to school a couple of years later, Sarah asked Kathy to help her find a school which could provide the support that Michelle needed. When it turned out to be the local Catholic school, Kathy helped Sarah make the application and wrote a letter which helped Sarah get a reduction in school fees. Kathy also liaised with Michelle's new teacher and the Special Needs Unit Coordinator to develop an Individual Educational Plan (IEP) designed to support Michelle's cognitive, social and emotional needs.

Over time, Sarah and her children experience secure housing, improved community connection and Michelle successfully transitions to school.

Additional Recommendations

As a Goodstart Syndicate Member, The Benevolent Society also endorses the following key points and recommendations from Goodstart Early Learning – necessary to ensure the Commission’s final report can achieve its universal ambition.

1. A stronger stewardship approach by governments, underpinned by the establishment of an ECEC Commission with strong powers in national legislation to legislate the universal entitlement and implementation milestones, including attainment of access (supply), affordability, quality and inclusion. This should also include stronger regulation to ensure growth of quality providers and consequences for poor quality.
2. Maintain the current fee-based benchmark methodology for setting the hourly rate cap, rather than introducing a complex cost-based methodology, to support simplicity, equity and maintain affordability for families. This should be complemented by more robust indirect price control and radical transparency so the benefit of additional subsidy flows through to families.
3. In keeping with the mix of supply and demand side subsidies suggested by the ACCC and draft report, the final report should also recommend investing in supply side funding programs to deliver on specific policy priorities vital to reform success: namely:
 - i. Improving pay and conditions via a Government Funded Wages subsidy of at least 15%.
 - ii. Delivering two years of a teacher-led preschool program in settings that meet families’ needs, including and especially levelling the playing field to make it affordable and practical for families to use high quality, convenient LDC preschool.
 - iii. Creating a new Equity Support Program to building the inclusion ecosystem including service and community-level investment in inclusion capability and improving the additional educator subsidy to deliver on the ambitions of a universal ECEC system and the NDIS review. This would embed a more systemic approach to achieving equity outcomes and deliver on the recommendations in the NDIS Review, as well as adequate supports for individual children with identified additional needs.
4. Establish new financing and regulatory settings that create stronger incentives for the NFP sector to grow, to optimise public outlays and actively ensure all families have the choice of a high quality, inclusive and affordable NFP service in their community.

A note about implementation Priorities to get to a Universal Early Learning entitlement

In considering phasing reform, the PC needs to make determinations about investment priorities. We agree with the PC’s views that in delivering on a universal entitlement for all children, there are higher priorities than moving straight to a 90% subsidy for all families, or a fixed fee for all families. There are higher impact areas for Government to invest in than delivering an additional \$17,300 to families with incomes of over \$400,000 per year. With this in mind, the PC final report should identify that implementation must prioritise the following reforms as critical enablers to successfully achieving a national universal entitlement:

1. ECEC wage subsidy noting that immediate investment is required to ensure there are enough educators and teachers to deliver the universal entitlement to ECEC for all children.
2. Create a new Additional Hours Entitlement that effectively removes the activity test to support all children to access early learning for at least 3 days per week, which will remove barriers to ECEC access for all children but especially benefit children from families with low incomes and low activity.
3. Create the new Universal Early Learning Benefit (formerly Child Care Subsidy) with the 100% for low-income families to immediately address cost barriers for children likely to experience vulnerability and disadvantage.
4. Amend the Inclusion Support Program funding, ahead of introducing a more systemic approach to inclusion delivered through a radically enhanced Early Learning Priorities Fund, by immediately increasing the additional educator hourly rate to at least \$38.14/hour (Diploma qualified educator hourly rate, including on-costs), introducing annual indexation, removing weekly caps on hours of support (25/40 hours per week), and establishing the program as a demand-driven subsidy (not capped).