

Draft Findings	Draft recommendations	Information requests	Response
<p>5.1 Generally, Australian children are doing well developmentally and most are well prepared to begin formal schooling. Those who are less well prepared tend to be Indigenous children, children living in socio-economically disadvantaged communities, children living in very remote areas and children from non-English speaking backgrounds. There is likely to be overlap across these groups</p>	<p>5.1 Payment of a portion of the Family Tax Benefit Part A to the parent or carer of a preschool aged child should be linked to attendance in a preschool program, where one is available.</p>	<p>5.1 What are the optimal hours of attendance at preschool to ensure children’s development and what is the basis for this?</p>	<p>Australian and international research demonstrates that quality early learning programs provide the firm foundation of every child’s life-lasting social and financial prospects.</p> <p>Research has found that a quality ECEC service with a four year qualified educator, regardless of setting, provides the best preparedness for school. Good quality can be found across all types of early year’s settings; however quality was higher overall in settings integrating care and education and in nursery schools.</p> <p>Effects of quality and specific ‘practices’ in pre-school</p> <ul style="list-style-type: none"> -High quality pre-schooling is related to better intellectual and social/behavioural development for children. -Settings that have staff with higher qualifications have higher quality scores and their children make more progress. <p>Quality indicators include warm interactive relationships with children, having a trained teacher as manager and a good proportion of trained teachers on the staff.</p> <ul style="list-style-type: none"> -Where settings view educational and social development as complementary and equal in importance, children make better all round progress. -Effective pedagogy includes interaction traditionally associated with the term “teaching”, the provision of instructive learning environments and ‘sustained shared thinking’ to extend children’s learning. (Sylva, K, Melhuish, E, Sammons, P, Siraj-Blatchford, I & Taggart, B. (2004) <i>The Effective Provision of Preschool Education (EPPE) Project. A Longitudinal Study funded by DfES 1997-2004. Final Report.2004</i>)
<p>5.2 Participation in a preschool program in the year before starting formal schooling provides benefits in terms of child development and a successful transition to school.</p> <p>Any decision to extend the universal access arrangement to younger children should be based on an analysis of the effectiveness of the existing arrangements in improving development outcomes and from evidence drawn from relevant Australian and overseas research. This would assist in determining how preschool should ultimately be integrated into the school based education system</p>	<p>5.2 Governments should plan for greater use of integrated ECEC and childhood services in disadvantaged communities to help identify children with additional needs (particularly at risk and developmentally vulnerable children) and ensure that the necessary support services, such as health, family support and any additional early learning and development programs, are available</p>		<p>In Victoria, the universal Maternal & Child Health service, three & half year old check, provides a valuable service to help identify children with additional needs (particularly at risk and developmentally vulnerable children) and ensure that the necessary support services, such as health, family support and any additional early learning and development programs, are available. If this check was compulsory before children accessed a kindergarten program, there may be fewer unidentified needs which may impact on the child’s future development.</p>
	<p>5.3 Australian Government ECEC funding should be limited to funding approved ECEC services and those closely integrated with approved ECEC services, and not be allocated to fund social services that largely support parents, families and communities. Any further Australian Government support for the HIPPY program should be outside of the ECEC budget allocation</p>		
	<p>5.4 Early intervention programs to address the development needs of children from disadvantaged</p>		

Draft Findings	Draft recommendations	Information requests	Response
	backgrounds should be underpinned by research. Their impact on the development outcomes of the children attending should be subject to ongoing monitoring and evaluation, including through the use of longitudinal studies		
<p>6.1 The workforce participation rate of mothers with children aged under 15 years has grown substantially in recent decades, in line with that for all women. However, the participation rate of mothers is below that of fathers and women without children. The employment rate of Australian mothers is also below the OECD average</p>	<p>6.1 The Fair Work Ombudsman, and employer and employee associations should trial innovative approaches to:</p> <ul style="list-style-type: none"> • increase awareness about the ‘right to request flexible work arrangements’ and individual flexibility arrangements under the Fair Work Act 2009 and National Employment Standards • promote positive attitudes among employers, employees and the wider community towards parents, particularly fathers, taking up flexible work and other family-friendly arrangements 	<p>6.1 The Commission seeks participants’ views on impediments to employers providing flexible work arrangements for parents</p>	
<p>6.2 Of employed mothers with children aged under 15 years, more work part time than full time. The part-time share of employed mothers is much higher than that of fathers and women without children. Australia has a higher proportion of couple families where one parent works full time and the other part time than the OECD average</p>			
<p>6.3 Roughly 165 000 parents (on a full-time equivalent basis) with children aged under 13 years could potentially be added to the workforce, but are not able to be, because they are experiencing difficulties with the costs and accessibility of suitable childcare</p>			
<p>6.4 Secondary income earners in couple families and single parent families with children under school age could potentially face a significant disincentive to work between 3 to 5 days a week due to high effective marginal tax rates from the cumulative impact of income tax and the withdrawal of childcare assistance, Family Tax Benefits and the Parenting Payment</p>			
<p>6.5 The workforce participation of mothers of children aged under 15 years is affected by the costs and availability of suitable childcare. It is also affected by the preferences of parents to look after their</p>			

Draft Findings	Draft recommendations	Information requests	Response
own (particularly very young) children, which in turn can be affected by such factors as the stresses of managing paid work and unpaid work at home. Other important determinants of mothers' workforce participation are the provision of flexible work and other family-friendly arrangements by employers, long-term career prospects and the effective marginal tax rates facing mothers			
	<p>7.1 To simplify the National Quality Standard, governments and ACECQA should:</p> <ul style="list-style-type: none"> • identify elements and standards of the National Quality Standard that can be removed or altered while maintaining quality outcomes for children • tailor the National Quality Standard to suit different service types — for example, by removing educational and child-based reporting requirements for outside school hours care services 	<p>7.1 The Commission seeks participants' views on the expected impacts on the development of children under 36 months of focusing required teachers in centre-based care on children over 36 months</p>	
	<p>7.2 Requirements for educators in centre-based services should be amended by governments such that:</p> <ul style="list-style-type: none"> • all educators working with children aged birth to 36 months are only required to hold at least a certificate III, or equivalent • the number of children for which an early childhood teacher must be employed is assessed on the basis of the number of children in a service aged over 36 months 		<p>At the Productivity Commission public hearing held in Melbourne, Dr Linda Harrison from Charles Sturt University, gave some compelling evidence to support higher qualifications for educators working with under threes. At the launch of the Draft Productivity Commission Report at the Royal Children's Hospital, Dr Tim Moore also gave compelling evidence supporting educators having, at least, similar qualifications as older aged groups of children.</p>
	<p>7.3 Differences in educator-to-child ratios and staff qualification requirements for children under school age across jurisdictions should be eliminated and all jurisdictions should adopt the national requirements</p>		
	<p>7.4 Governments should develop and incorporate into the National Quality Framework a nationally consistent set of staff ratios and qualifications for those caring for school age children in outside school hours and vacation care services. These requirements should take into consideration ratios that are currently acceptable for children during school hours, the uncertainty surrounding the additional benefits of more staff and higher qualifications, and the valuable contribution that can be made to outside school hours care services by less qualified older workers and university/TAFE students</p>		
	<p>7.5 To provide services with greater flexibility to meet staffing requirements, ACECQA should:</p> <ul style="list-style-type: none"> • remove the requirement that persons with early childhood teacher qualifications must have practical 		<p>Teacher training currently requires students to have access to a placement in a centre where they work with children under two. This gives the students the ability to physically see how children develop from an early age and subsequently the results of seeing how a quality program can prepare children for their future learning. If students do not have that experience it can inhibit</p>

Draft Findings	Draft recommendations	Information requests	Response
	<p>experience for children aged birth to twenty four months</p> <ul style="list-style-type: none"> • explore ways to make the requirements for approving international qualifications simpler and less prescriptive in order to reduce obstacles to attracting appropriately qualified educators from overseas. <p>All governments should allow services to temporarily operate with staffing levels below required ratios, such as by maintaining staffing levels on average (over a day or week), rather than at all times.</p> <p>The New South Wales and South Australian Governments should allow a three month probationary hiring period in which unqualified staff may be included in staff ratios before beginning a qualification, as was recently adopted in all other jurisdictions.</p>		<p>their ability to know when something is ‘not quite right’ and be able to have an informed discussion with parents, other educators and health professionals. If we approve internationally qualified educators without asking them to adhere to the specific skills and knowledge required by Australian educators we could be seen to say it would be OK if our universities and colleges reduced their standards as well. Research shows that the higher the quality of program offered to children, the better off the children will be (especially vulnerable and disadvantaged children)</p> <p>Would we, as adults, not expect to have our doctors all highly qualified – why should children have less than we are prepared to expect for ourselves?</p> <p>Children deserve to have the required staff child ratios maintained at all times, otherwise, the quality of the care could be compromised or worse, children’s safety could be compromised.</p>
	<p>7.6 Governments and ACECQA should:</p> <ul style="list-style-type: none"> • urgently reconsider the design of the assessment and ratings system, giving particular consideration to finding ways to increase the pace of assessments • explore ways to determine services’ ratings so they are more reflective of overall quality • abolish the ‘Excellent’ rating, so that ‘Exceeding National Quality Standard’ is the highest achievable rating 		
	<p>7.7 Governments, ACECQA and regulatory authorities, as applicable, should:</p> <ul style="list-style-type: none"> • abolish the requirement for certified supervisor certificates • provide more detailed and targeted guidance to providers on requirements associated with Quality Improvement Plans, educational programming, establishing compliant policies and procedures and applying for waivers • explore potential overlaps between the National Quality Framework and state and local government requirements as part of the ongoing review of the Framework, and ensure any identified overlaps are eliminated • review: <ul style="list-style-type: none"> • ways that services with higher ratings (‘Exceeding National Quality Standard’) could be relieved of some paperwork requirements, where these are less important to ensuring quality given the 		<p>One of the problems with rewarding Exceeding services is that it can breed complaisance amongst the educators and the management team. The other thing that can change a service overnight is the turnover of both educators and management.</p>

Draft Findings	Draft recommendations	Information requests	Response
	<p>service's compliance history</p> <ul style="list-style-type: none"> removing the requirement for outside school hours care services operating on school facilities to provide site plans as a condition of service approval 		<p>The paperwork needs to be simplified for everyone – without impacting on the quality of service.</p> <p>Without a site plan, it would be difficult to locate the actual OSH service within the school grounds, as they could be in the gym, or basketball court or in the shed at the bottom of the play area – the Department of Education & Early Childhood Development would need to be able to see where the toilets and outdoor playing area are located for children to safely access.</p>
	<p>7.8 Governments should extend the scope of the National Quality Framework to include all centre and home based services that receive Australian Government assistance. National Quality Framework requirements should be tailored towards each care type, as far as is feasible, and minimise the burden imposed on services</p>		
	<p>7.9 Dedicated preschools should be removed from the scope of the National Quality Framework and regulated by state and territory governments under the relevant education legislation. The quality standards in state and territory education legislation should broadly align with those in the National Quality Framework. Long day care services that deliver preschool programs should remain within the National Quality Framework</p>		<p>There would be a great divide created between preschool/kindergarten and childcare if preschools were removed from the NQF and placed in the more formal education system. In previous times, they were not part of the accreditation system; subsequently there was no assessment of quality carried out and in many cases that was obvious.</p> <p>Parents who participated in the workforce would still have their children cared for under the NQF – would that mean that there would be higher quality in one section of the early childhood field and not in the other?</p> <p>If preschools were legislated under education, would that mean preschool would be mandatory and would that also apply for preschool programs in childcare centres?</p> <p>Would the education department be happy to employ at least half the workforce who would not have qualifications higher than a Certificate III, which traditionally they have not done? Would current committees of management of sessional preschools have to pay out redundancy and would the education department then employ all of those staff? Would there be fees applied to sessional preschool or would it be free as is currently the case for children attending government funded primary schools?</p>
	<p>7.10 State and territory governments should, as a matter of priority, harmonise background checks for ECEC staff and volunteers by either:</p> <ul style="list-style-type: none"> advancing a nationally consistent approach to jurisdiction-based 'working with children checks' as proposed in the National Framework for Protecting Australia's Children, including mutual recognition of these checks between jurisdictions, or implementing a single, nationally recognised 'working with children check' 		<p>Having a nationally recognised 'working with children' check would reduce the numbers of people, who may have attracted police notice for offences against children in one state and who are now free to move interstate and start up a business that may involve children again.</p>
	<p>7.11 Governments should remove those food safety requirements in the National Regulations that overlap with existing state and territory requirements.</p> <p>State and territory governments, in conjunction with Food Standards Australia New Zealand, should explore the possible exemption of childcare services from</p>		

Draft Findings	Draft recommendations	Information requests	Response
	Standard 3.3.1 of the Australian food safety standards, as in New South Wales		
	<p>7.12 Local governments should adopt leading regulatory practices in planning for ECEC services. In particular, local governments should:</p> <ul style="list-style-type: none"> • use planning and zoning policies to support the co-location of ECEC services with community facilities, especially schools • use outcomes based regulations to allow services flexibility in the way they comply with planning rules, such as in relation to parking • not regulate the design or quality of any aspect of building interiors or children’s outdoor areas within the service property, where such regulation duplicates or extends the requirements of the National Regulations or other standards such as the Building Code of Australia • not impose regulations that interfere with the operation of the ECEC market, such as by restricting the maximum number of permitted childcare places in a service • provide clear guidelines for the assessment of development proposals in relation to ECEC services, and update these guidelines regularly. <p>State planning departments should, as in Victoria, develop flexible standard planning provisions that can be applied across local governments to ensure some level of consistency; and scrutinise amendments to local planning schemes that might seek the introduction of different standards to guard against potentially costly requirements being imposed</p>		
<p>8.1 Funding to providers has an important role to play in improving accessibility to ECEC for children with additional needs, or who live in locations without access to ECEC. There is scope to improve current programs which deliver assistance directly to providers:</p> <ul style="list-style-type: none"> • the Community Support Program has not achieved one of its main objectives of improving access to ECEC services in rural and remote areas. Further, it is unclear whether it has been effective in bringing ECEC services to disadvantaged areas where they would otherwise not have been provided 	<p>8.1 The Australian Government should ensure that the requirement (currently contained within the Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Determination 2000) for most children attending an outside school hours care service to be of school age, is removed and not carried over into any new legislation</p>	<p>8.1 The Commission seeks further information on the nature of the barriers faced by families with children with additional needs in accessing appropriate ECEC services and the prevalence of children with additional needs who have difficulty accessing and participating fully in ECEC. Information on the additional costs of including children with additional needs is also sought</p>	<p>Currently, there is no Inclusion Support Subsidy (ISS) funding for children with high medical needs. Services cannot apply for ISS funding when it is linked to supporting a child’s medical needs (eg PEG feeding). IPSP Guidelines do not allow for the funding of additional educators to support these children on a one to one basis even if only for short periods of time. As a result the choices available to parents of these children are restricted. Waiting lists for Early Childhood Intervention Services (ECIS) can impact on children’s ability to access mainstream services because of the limited specialist support available to educators. Allied health professionals, who generally work one-to one with children often lack an appreciation of the challenges/logistics facing ECEC educators working with children with additional needs within a group setting with ratios of up to 1:15. I recommend consistent funding criteria for Commonwealth & State programs that fund additional support for services that have children with additional needs enrolled. In Victoria children in childcare settings who may have been</p>

Draft Findings	Draft recommendations	Information requests	Response
<ul style="list-style-type: none"> services funded under the Budget Based Funded Program are not all ECEC focused and there is a lack of transition pathways for services to become viable and be brought within the mainstream ECEC funding arrangements the Inclusion and Professional Support Program requires additional resourcing in order to better meet its policy objectives 			<p>eligible for funding under the Inclusion Professional Support Program (IPSP) for the years leading up to to their enrolment the centre’s funded preschool program may not then be eligible for the State Government Kindergarten Inclusion Support Subsidy (KISS) funding’</p>
	<p>8.2 State and territory governments should direct all schools to take responsibility for organising the provision of an outside school hours care service for their students (including students in attached preschools), where demand is sufficiently large for a service to be viable</p>	<p>8.2 The Commission is seeking feedback on the role that integrated services can play in making ECEC more accessible for families. In particular, the Commission is interested in:</p> <p>the extent to which integrating ECEC services with other family services and schools will deliver benefits to families and/or ECEC providers, and in particular, Indigenous and potentially other disadvantaged communities</p> <p>views on the best way to fund integrated services that provide ECEC, including whether child-based funding would be an appropriate funding model</p> <p>how funding could be apportioned across activities operating within an integrated service, including for the coordination of services, the management of administrative data and an evaluation of outcomes</p>	<p>Anecdotal evidence suggests that bringing diverse groups and activities together can be problematic without collaborative program development. At this time, there are many different funding sources and guidelines determining how those funds are expended. Unless services are able to collaborate rather than co-locate or cooperate, then the ownership of services is always called into play.</p> <p>If one agency is provided with enough funds to fully support the integration of services, then there is a greater likelihood of a successful service being provided to the community.</p>
	<p>8.3 The Australian Government should abolish operational requirements that specify minimum or maximum operating weeks or hours for services approved to receive child-based subsidies</p>	<p>8.3 The Commission seeks feedback on making the places of children who are on an extended absence available to other children on a short-term basis. In particular, the Commission is interested in disincentives or regulatory barriers that discourage or prevent services from implementing these arrangements</p>	<p>The major impact of making temporary places available in children’s centres, is the children themselves. To move children in and out of a service can be unsettling to all those concerned – the child, the other children, the parents and the educators. It is important for children to form strong bonds with carers and other children and to be part of the friendship groups that naturally occur.</p>
	<p>8.4 The Australian Government should remove caps on the number of occasional care places</p>		
	<p>8.5 Governments should allow approved nannies to become an eligible service for which families can receive ECEC assistance. Those families who do not wish their nanny to meet National Quality Standards would not be eligible for assistance toward the costs of their nanny.</p>		

Draft Findings	Draft recommendations	Information requests	Response
	<p>National Quality Framework requirements for nannies should be determined by ACECQA and should include a minimum qualification requirement of a relevant (ECEC related) certificate III, or equivalent, and the same staff ratios as are currently present for family day care services.</p> <p>Assessments of regulatory compliance should be based on both random and targeted inspections by regulatory authorities</p>		
	<p>8.6 The Australian Government should remove the In-Home Care category of approved care, once nannies have been brought into the approved care system</p>		
	<p>8.7 The Australian Government should simplify working holiday visa requirements to make it easier for families to employ au pairs, by allowing au pairs to work for a family for the full 12 month term of the visa, rather than the current limit of six months</p>		
<p>9.1 How much families pay for ECEC varies depending on their income, care use patterns and family size. However, for the vast majority of families, subsidies from the Australian Government cover more than half of their ECEC fees.</p> <p>Current subsidy arrangements make ECEC more affordable for families. However, there are a number of issues with the way Government support is delivered:</p> <ul style="list-style-type: none"> the existing system is complex and some families have difficulty understanding their entitlements under the Child Care Benefit and the Child Care Rebate. the design of these measures is resulting in a declining proportion of assistance to lower income families who are least able to afford ECEC services the Jobs, Education and Training Child Care Fee Assistance program and the Special Child Care Benefit program are not well targeted and have attracted families unable to get low cost access to ECEC under other more targeted programs 	<p>9.1 The Australian Government should remove the registered childcare category under the Child Care Benefit</p>	<p>9.1 The Commission seeks feedback on regulatory barriers (such as those contained within A New Tax System (Family Assistance) Act 1999), which may prevent services from varying their fees according to the cost of service provision to children with differing needs</p>	
	<p>10.1 In line with the broad level recommendations of the</p>		

Draft Findings	Draft recommendations	Information requests	Response
	<p>Productivity Commission’s 2010 study into the Contribution of the Not for Profit Sector, the Australian Government should remove eligibility of not-for-profit ECEC providers to Fringe Benefit Tax exemptions and rebates.</p> <p>State and territory governments should remove eligibility of all not-for-profit childcare providers to payroll tax exemptions. If governments choose to retain some assistance, eligibility for a payroll tax exemption should be restricted to childcare activities where it can be clearly demonstrated that the activity would otherwise be unviable and the provider has no potential commercial competitors</p>		
	<p>11.1 Governments should ensure, through regulatory oversight and regular audits by the Australian Skills Quality Authority, that Registered Training Organisations maintain consistently high quality standards in their delivery of ECEC-related training</p>		<p>Working with children with additional needs is rarely included in the course content of entry level and other early childhood qualifications. As a result, I believe many early childhood educators are poorly equipped to work with children with additional needs. A lack of confidence by all levels of qualified educators when working with children who have additional needs, including educators who have worked in the sector for some time.</p> <p>There are two subjects that might be included in a Diploma course: CHCIC511A – Implement and promote inclusive policies and practice CHCIC512A Plan and implement inclusion of children with additional needs There are others that allude to inclusion such as CHCPR303D - develop an understanding of children’s interests and development al needs CHCOSH401A – Support participation in Outside school hours care CHCCS400C – work within ethical and legal frameworks CHCRF11A work in partnership with families to provide appropriate care CHCPR502E organize experiences to facilitate and enhance children’s development CHCFC301A Support the development of children Some of these are core competencies and some are elective depending on the qualification. I think the issue is that the quality of training delivery is not adequate, because if these subjects were delivered well then students should have an understanding of inclusive practice</p>
<p>12.1 It is unclear that the proposed changes to the Paid Parent Leave scheme would bring significant additional benefits to the broader community beyond those occurring under the existing scheme. There may be merit, therefore, in diverting some funding from the proposed new scheme to ECEC to ensure that the Government’s workforce participation objectives are met and ECEC services to additional needs children are adequately funded</p>	<p>12.1 The Australian Government should remove section 47(2) from the Fringe Benefits Tax Act 1986, that is, the eligibility for Fringe Benefit Tax concessions for employer provided ECEC services. It should retain section 47(8), which enables businesses to purchase access rights for children of their employees without this being considered an expenditure subject to the Fringe Benefits Tax</p>	<p>12.1 The Commission seeks views on the effect on families of having a per child subsidy rate that is not adjusted for the number of children in a family accessing ECEC services</p>	
	<p>12.2 The Australian Government should combine the current Child Care Rebate, Child Care Benefit and the</p>	<p>12.2 The Commission seeks feedback on the impact of adopting the income of the second</p>	

Draft Findings	Draft recommendations	Information requests	Response
	Jobs Education and Training Child Care Fee Assistance funding streams to support a single child-based subsidy, to be known as the Early Care and Learning Subsidy (ECLS). ECLS would be available for children attending all mainstream approved ECEC services, whether they are centre-based or home-based	earner, family income, or some combination as the basis for the means test. If a combination is preferred, the Commission seeks information on how this should be applied and what it would mean for effective marginal tax rates facing most second income earners in a family	
	12.3 The Australian Government should exempt non-parent primary carers of children, and jobless families where the parents are receiving a Disability Support Pension or a Carer Payment from the activity test. These families should still be subject to the means test applied to other families	12.3 <i>The Commission seeks information on who is using ECEC services on a regular basis but working below the current activity test of 15 hours per week, or not actively looking for work or undertaking work, study or training. Views are sought on the activity test that should be applied, how it could be implemented simply, and whether some means tested access to subsidised care that is not subject to an activity test should be retained. If some subsidised care without an activity test is desirable, for how many hours a week should it be available, what should the eligibility criteria be, and what are the benefits to the community?</i>	
	12.4 The Australian Government should fund the Early Care and Learning Subsidy to assist families with the cost of approved centre-based care and home-based care. The program should: <ul style="list-style-type: none"> • assist with the cost of ECEC services that satisfy requirements of the National Quality Framework • provide a means tested subsidy rate between 90 per cent and 30 per cent of the deemed cost of care for hours of care for which the provider charges • determine annually the hourly deemed cost of care (initially using a cost model, moving to a benchmark price within three years) that allows for differences in the cost of supply by age of child and type of care • support up to 100 hours of care per fortnight for children of families that meet an activity test of 24 hours of work, study or training per fortnight, or are explicitly exempt from the criteria • pay the assessed subsidy directly to the service provider of the parents' choice on receipt of the record of care provided 	12.4 The Commission seeks information on the best approach to setting and updating the deemed cost of ECEC services. In addition, information on the cost premiums of providing services in different locations, to different ages, and in meeting different types of additional needs is sought	
	12.5 The Australian Government should establish a capped 'viability assistance' program to assist ECEC providers in rural, regional and remote areas to continue	12.5 The Commission seeks information on the impact that removing the current free access of up to 50 hours a week to ECEC	

Draft Findings	Draft recommendations	Information requests	Response
	<p>to operate under child-based funding arrangements (the Early Care and Learning Subsidy and the Special Early Care and Learning Subsidy), should demand temporarily fall below that needed to be financially viable. This funding would be:</p> <ul style="list-style-type: none"> accessed for a maximum of 3 in every 7 years, with services assessed for viability once they have received 2 years of support prioritised to centre-based and mobile services 	<p>services for eligible grandparents will have on them and the children for whom they care</p>	
	<p>12.6 The Australian Government should establish three capped programs to support access of children with additional needs to ECEC services.</p> <ul style="list-style-type: none"> The Special Early Care and Learning Subsidy would fund the deemed cost of meeting additional needs for those children who are assessed as eligible for the subsidy. This includes funding a means tested proportion of the deemed cost of mainstream services and the ‘top-up’ deemed cost of delivering services to specific groups of children based on their needs, notably children assessed as at risk, and children with a diagnosed disability. The Disadvantaged Communities Program would block fund providers, in full or in part, to deliver services to specific highly disadvantaged community groups, most notably Indigenous children. This program is to be designed to transition recipients to child-based funding arrangements wherever possible. This program would also fund coordination activities in integrated services where ECEC is the major element. The Inclusion Support Program would provide once-off grants to ECEC providers to build the capacity to provide services to additional needs children. This can include modifications to facilities and equipment and training for staff to meet the needs of children with a disability, Indigenous children, and other children from culturally and linguistically diverse backgrounds 	<p>12.6 What is the case for the Australian Government funding start-up capital or on-going operational support for mainstream ECEC services in rural, regional and remote communities?</p>	
	<p>12.7 The Australian Government should continue to provide support for children who are assessed as ‘at risk’ to access ECEC services, providing:</p> <ul style="list-style-type: none"> a 100 per cent subsidy for the deemed cost of ECEC services, which includes any additional ‘special’ services at their deemed cost, funded from the Special Early Care and Learning Subsidy program up to 100 hours a fortnight, regardless of whether the families meet an activity test 	<p>12.7 The Commission seeks views on the best way to allocate a fixed funding pool to support the ECEC access of children with additional needs and deliver the greatest community benefit. This includes views on the best option for allocating the Special Early Care and Learning Subsidy payments for children with disabilities to ensure that the program enables as many children with disabilities as possible to access mainstream ECEC services</p>	<p>I support the Commission’s recommendation that funding hours for ISS are extended to 100 hours per fortnight, but note that for this to occur there would need to be a significant increase in overall funding so the number of children supported is not reduced due to lack of funding. Otherwise there would have to be more restrictive criteria in the funding Guidelines relating to this funding.</p>

Draft Findings	Draft recommendations	Information requests	Response
	<ul style="list-style-type: none"> support for initially 13 weeks then, after assessment by the relevant state or territory department and approval by the Department of Human Services, for up to 26 weeks. <p>ECEC providers must contact the state or territory department with responsibility for child protection within one week of providing a service to any child on whose behalf they apply for the 'at risk' Special Early Care and Learning Subsidy. Continuation of access to the subsidy is to be based on assessment by this department, assignment of a case worker, and approval by the Department of Human Services. The Australian Government should review the adequacy of the program budget to meet reasonable need annually</p>		
	<p>12.8 The Australian Government should continue to provide support for children who have a diagnosed disability to access ECEC services, through:</p> <ul style="list-style-type: none"> access to the mainstream ECEC funding on the same basis as children without a disability <u>and</u> up to a 100 per cent subsidy for the deemed cost of additional ECEC services, funded from the Special Early Care and Learning Subsidy block funded support to ECEC providers to build the capacity to cater for the needs of these children, funded through the Inclusion Support Program. <p>The relevant Government agency should work with the National Disability Insurance Agency and specialist providers for those children whose disability falls outside the National Disability Insurance Scheme, to establish a deemed cost model that will reflect reasonable costs by age of child and the nature and extent of their disability. Based on an assessment of the number of children in need of this service, and the costs of providing reasonable ECEC services, the Australian Government should review the adequacy of the program budget to meet reasonable need annually</p>	<p>12.8 The Commission seeks views on what types of services (that are not the funding responsibility of the National Disability Insurance Scheme) should be provided for children with a diagnosed disability attending ECEC, and how best to prioritise available funding. It also seeks information on the range of needs and the costs of meeting these needs for children of different ages and by the nature and extent of their disability</p>	<p>Families of children with additional needs, including disabilities, should have the ability to choose the type of service that suits both the child and the family's needs. That is, for the child to attend a specialist early childhood intervention setting or a mainstream setting where the children with disabilities can be in a group of typically developing peers who model for them and challenge them and assist them to participate in all aspects of the service's program. Typically developing children also learn tolerance, patience and knowledge that there may be physical differences but underneath they are all children.</p>
	<p>12.9 The Australian Government should continue to provide per child payments to the states and territories for universal access to a preschool program of 15 hours per week for 40 weeks per year. This support should be based on the number of children enrolled in state and territory government funded preschool services, including where these are delivered in a long day care service.</p> <p>The Australian Government should negotiate with the</p>	<p>12.9 The Commission seeks information on whether there are other groups of children that are developmentally vulnerable, how they can be identified, and what the best way is to meet their additional needs</p>	<p>The Guidelines relating to Flexible Support Funding (FSF) should be amended so children without a diagnosis who present with challenging behaviours or extreme anxieties can be supported through the IPSP in order to facilitate a positive commencement at the service selected by their parents. . This group could include children from a vulnerable family situation, children who have suffered trauma and/or children who have an undiagnosed disability (eg autism). The short term funding could be for all services, including preschools, in order to support the orientation of children with additional needs.</p>

Draft Findings	Draft recommendations	Information requests	Response
	state and territory governments to incorporate their funding for preschool into the funding for schools, and encourage extension of school services to include preschool		
	12.10 The Australian Government should provide per child preschool payments direct to long day care services for 15 hours per week and 40 weeks per year, where long day care services do not receive such funding from the states and territories	12.10 The Commission seeks views on how best to transition to full state and territory responsibility for preschool delivered in long day care services as well as in dedicated preschools. This includes a transition to the provision of preschool at no cost to parents, in those dedicated preschools attached to public primary schools	
	12.11 The Australian Government should redirect any additional tax revenue gained, or administrative savings from, removing ECEC related tax exemptions and concessions to expand the funding envelope for ECEC. For not-for-profit providers of block funded ECEC services to children with additional needs, the tax savings should be included in their block funding arrangements while these programs continue under the current funding agreements		
	13.1 The Australian Government should continue support for the current block funded ECEC services for Indigenous children to assist their transition to mainstream ECEC funding (where there is a viable labour market). Regulatory authorities should work with providers to assist them in satisfying the National Quality Framework and managing the transition to child-based funding arrangements	13.1 The Commission seeks information and advice on the costs and risks involved in the transition to the proposed new funding arrangements for mainstream services (including home-based care providers paying for the services of coordinators) and advice on how these costs can be minimised and risks managed	
	13.2 The Australian Government should establish a program to link information for each child from the National ECEC Collection to information from the Child Care Management System, the Australian Early Development Index, and NAPLAN testing results to establish a longitudinal database. Subject to appropriate data protection methods, this information should be made available for research, policy analysis and policy development purposes. The ability of researchers to access unit record information should be permitted subject to stringent privacy and data protection requirements. The Australian Government agency, which is the custodian of the Child Care Management System, should provide a de-confidentialised extract from the database each year that interested parties can use for research and planning purposes.	13.2 The Commission seeks information on the efficiency and effectiveness of outsourcing the allocation of funding under capped programs that support children with additional needs. Views are sought on the model that should be used to allocate funding under the proposed new funding arrangements and the governance requirements to ensure outsourced allocation services are accountable, and deliver value for money	

Draft Findings	Draft recommendations	Information requests	Response
	<p>13.3 The Australian Government should review the operation of the new ECEC funding system and regulatory requirements after they have been implemented. In particular:</p> <ul style="list-style-type: none"> • within 2 years of introducing subsidies based on deemed cost of care, the accuracy of the deemed costs and appropriateness of the selected indexation approach should be examined and the existence of any adverse unintended outcomes should be identified and resolved • within 3 years of extending the coverage of the National Quality Framework (including to current block funded services and to nannies), ACECQA should prepare a report identifying any legislative, regulatory or procedural difficulties arising from the wider coverage of the National Quality Framework • within 5 years of implementing the new ECEC funding system and regulatory requirements, the Australian Government should undertake a public review of the effectiveness of the revised arrangements 		