



Save the Children
Australia

Inquiry into Childcare and Early Learning

Submission to the Productivity Commission

Save the Children Australia

10 September 2014

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About Save the Children

Save the Children is a leading independent international organisation for children and child rights. Our vision is of a world in which every child attains the right to survival, protection, development and participation. We work towards this vision in Australia and in more than 120 countries across the globe.

For further information about this submission, please contact:

1. Executive summary

Australia has come a long way in Early Childhood Education and Care (ECEC). With the introduction of the National Early Childhood Development Strategy (2009) and significant Commonwealth and State funding channeled into this area, Australia is on the path to an effective ECEC system.

We agree with the Commission's view that there is a lot that is good about the ECEC system. Yet too many vulnerable children are still entering school with learning and development delays, particularly Indigenous children. All children have a right to education on the basis of equal opportunity. (Convention on the Rights of the Child, Article 28). We can and must do better for our most disadvantaged children and this is the focus of our submission.

Below, we offer select insights into the application of the Commission's draft recommendations together with additional information, based on our program expertise. We look forward to working with the Australian Government to strengthen the ECEC system and ensure that no child is left behind.

Summary of recommendations

Fees and access

1. The Commission should **review the Early Care and Learning Subsidy (ECLS)** to ensure vulnerable and disadvantaged children do not fall through the gaps. For example:
 - The work requirement under the ECLS activity-test should encompass 'looking for work' and 'voluntary work'.
 - The ECLS activity test exemptions should include: exceptional circumstances (including where a parent is severely or suddenly ill, overseas or in prison); and temporary financial hardship (e.g. job loss, natural disaster, escaping a situation of domestic violence).

(Response to Draft Recommendation 12.4)

Transition to school (preschool and primary)

2. Fixed funding pool for ECEC should also include **early entry ECEC services for disadvantaged children aged 0-3 years old**. Intensive Supported Playschemes offer one cost-effective model combining play with intentional teaching and family support.

(Response to Information Request 12.7).

Quality of care and early learning

3. All **educators working with disadvantaged children** aged birth to 36 months:
 - Hold at least a Certificate III or equivalent (or are working towards this qualification).
 - Have access to educators with higher level qualifications (i.e. Diploma and above) to oversee programming and evaluation.

(Response to Draft Recommendation 7.2)

4. State and Territory Governments should, as a matter of priority, harmonise background checks for ECEC staff and volunteers by implementing a **single, nationally recognised 'working with children check'**.

(Response to Draft Recommendation 7.10).

5. Greater certainty should be built into **block grants with funding horizons of at least five years** to address multiple barriers to ECEC service provision and build demand for quality early childhood education among highly disadvantaged and Indigenous communities.

(Response to Draft Recommendation 13.1)

2. Introduction

At the heart of any system of Early Childhood Education and Care must be the best interests of the child. As we celebrate the 25th anniversary of the Convention on the Rights of the Child this year, it is worth remembering the principle that government should invest resources to the maximum extent possible to enable children to reach their full potential.

Prior 2009, several international reports found Australia lagging way behind on early childhood education and care¹. With the introduction of the National Early Childhood Development Strategy (2009) and significant Commonwealth and State funding channeled into this area, Australia is on the path to an effective ECEC system.

Early childhood (from conception to age six) is the most important period in a child's life for brain development and subsequent learning, behaviour and health.² Adequate stimulation and nutrition are essential for development during the early months and years of life.³ The amount and quality of stimulation can affect the development of the brain's neural pathways, which shape language, capability, cognitive ability and emotional responses⁴.

A child who does not receive the required support and stimulation during these early years commences primary school without being 'school-ready' and the cycle of disadvantage has already started. Families are the first teachers of a child, and play a central role in young children's socialisation and learning. Access to quality early learning is also vital, with the greatest benefits accruing to those most disadvantaged. As noted by the Commission, the social and economic benefits from participation in preschool for children's development and transition to school are largely undisputed. The Commission also notes there appear to be some benefits from early identification of, and intervention for, children with development vulnerabilities⁵.

Save the Children's goal is for all children in Australia to enter primary education well prepared for the transition from early childhood. Family context and community issues increase vulnerability and can be addressed prior to transition. The challenge is particularly acute for disadvantaged children where the gap in developmental outcomes opens up in early childhood and widens as children grow up.

We note that PwC has estimated that increased participation of vulnerable children in ECEC could deliver an extra \$13.3 billion to GDP (cumulative to 2050)⁶. Benefits for the government include decreased expenditure associated with remedial education, justice and health services as a result of improved education and life outcomes for vulnerable children. There is also a projected reduction in unemployment and other government transfers as children successfully complete their education and enter the labour market.

¹ For example, UNICEF (2008), *The Child Care Transition: A League Table of Early Childhood Education and Care in Economically Advanced Countries* (UNICEF Innocenti Research Centre Report Card No.8)

² Lee, R et al (2014) *Head Start Participation and School Readiness: Evidence from the Early Childhood Longitudinal Study–Birth Cohort* *Developmental Psychology*, Vol. 50, No. 1, 202–215.

³ McCain, M & Mustard, J (1999) *Reversing the Real Brain Drain: Early Years Study Final Report*, Canada.

⁴ Mustard, J (2008) *Investing in the Early Years: Closing the Gap Between what we know and what we do*. Adelaide Thinker in Residence 2007, Government of South Australia

⁵ Productivity Commission, *Draft Report*, page 2

⁶ PwC (2014) *Putting a Value on Early Childhood Education and Care in Australia*

In this submission, we focus on ECEC for vulnerable children with regard to:

- Fees and access.
- Transition to school (preschool and primary).
- Quality of care and early learning.

3. Fees and access

A 2013 study by the Australian Institute of Family Studies⁷ found that:

“children missing out on early childhood education are more often represented among disadvantaged families, and among children who are perhaps in greatest need of early childhood education in respect of preparing children for school.”

Subsidised fees are one aspect of increasing access to quality early learning and care for vulnerable children. We concur with the Commission’s finding that current fee assistance arrangements are too complex and agree in-principle with the move to a single child-based subsidy – the Early Care and Learning Subsidy (ECLS). However, in the process of streamlining arrangements, we are concerned that vulnerable children may fall through the gaps.

During the public hearings, several organisations indicated that the combination of the means and activity-test, along with a narrowing of the activity requirements, is likely to result in a significant number of children experiencing disadvantage by not being able to access ECEC. This issue warrants further examination by the Commission. If the proposed changes are likely to be a barrier to vulnerable children’s participation in early learning, Save the Children recommends those changes are reconsidered.

For example, it is unclear in the Draft Report if the new ECLS activity test includes ‘looking for work’ and ‘voluntary work’. Voluntary work is often an important step in building skills and work experience prior to obtaining a paid job, particularly for long-term unemployed. If the definition of work under the new activity-test is narrower than that which currently applies, it is likely to impact on the number of children accessing subsidised early childhood education and care.

In addition, it appears that under the proposed ECLS, the exemptions to the activity-test are narrower than under the current system and do not include where a parent is overseas or in prison or where parents are facing exceptional circumstances. Moreover, it appears that the requirement that both the activity-test and means-test be satisfied will remove the ability of children from low-income families to access up to 24 hours per week of early learning as exists under the Child Care Benefit. This appears inconsistent with the Commission’s finding that children who are developmentally vulnerable are one of the groups most in need of access to early childhood education and care.

The current Special Child Care Benefit (SCCB) applies to children at risk of neglect and abuse and also if a family is experiencing temporary financial hardship which has reduced their ability to pay childcare fees. Hardship includes natural disasters and/or periods of local emergency. The Draft Report identifies that ‘around half of the children currently accessing SCCB are in families that have been assessed as facing

⁷ Baxter, J and Hand, K (2013) *Access to Early Childhood Education in Australia*. Australian Government, Australian Institute of Family Studies. Research Report number 24 page xvii

financial hardship. It appears the proposed Special Early Care and Learning Subsidy (SECLS) will not be available on the basis of family hardship, so families facing sudden changes in their financial circumstances will need to have their subsidy rate reassessed quickly.⁸ Again, this change will reduce children's access to early childhood education and care, many of whom are experiencing temporary socio-economic disadvantage.

In summary, there are a number of significant changes between the eligibility requirements under the existing subsidy system and that proposed by the Commission. These changes may impact negatively on access of vulnerable children to early childhood education and care. Those changes are:

- A potentially narrower definition of work under the new activity-test.
- No access to limited hours of early childhood education and care on the basis of low-income (where activity-test not satisfied).
- Narrower exemptions under the new activity-test.
- No access to the ECLS on the basis of temporary financial hardship.

Children at risk of development delays missing out

Chris is a rehabilitated drug user, who recently left a very violent relationship and has had her six children in her care. Three of the children are under five years. Chris is a loving and caring mother but she has recently been very ill with cancer and consequently she is unable to work or study. A Save the Children Family Support Worker helped Chris to access child care for medical specialist and hospital visits. The young children have suffered disrupted attachment and would be at further risk of developmental delay and learning difficulties if it was not for the child care experience.*

*Currently, Chris would be eligible either for the Child Care Benefit on the basis of exceptional circumstances or she could access the Special Child Care Benefit on the basis of temporary financial hardship. However, under the proposed Early Care and Learning Subsidy, the activity-test would require Chris to be working, studying or training and would not provide an exemption on the basis of exceptional circumstances. In addition, there will no longer be access to a subsidy on the basis of temporary financial hardship. These changes mean that Chris may struggle to access childcare subsidies and her children may miss out on important early learning and care. *Name has been changed*

Response to Draft Recommendation 12.4

The Commission should review the Early Care and Learning Subsidy (ECLS) to ensure vulnerable and disadvantaged children do not fall through the gaps. For example:

- The work requirement under the ECLS activity-test should encompass 'looking for work' and 'voluntary work'.
- The ECLS activity test exemptions should include: exceptional circumstances (including where a parent is severely or suddenly ill, overseas or in prison); and temporary financial hardship (e.g. job loss, natural disaster, escaping a situation of domestic violence).

⁸ Productivity Commission, Draft Report, page 597

4. A model for 0-3 year olds

If all children in Australia are to be school ready, we need to start earlier than the year prior to school. Children who are developmentally vulnerable are being left behind in the current system. We commend the Commission for supporting universal preschool access. However, in our experience, earlier pathways to education for highly disadvantaged children are necessary. This involves working with whole families and communities to raise expectations and awareness about the importance of early learning.

We understand the budget environment and the need for measures to be affordable. Below we propose one model of early intervention targeting highly disadvantaged communities as a cost-effective pathway to preschool and primary school education.

Save the Children's Intensive Supported Playscheme model operates in more than 100 sites nationwide. One to two times a week we reach highly disadvantaged communities in remote and isolated places and also urban settings. Despite government subsidies available for early learning, many children in these locations do not access formal or informal early childhood education. Many families are living in chaos which means that meeting immediate survival needs takes precedence over early childhood programs. The Playscheme sessions are an access pathway to mainstream services.

Play-based learning is combined with intentional teaching, provided by qualified educators (minimum Certificate III supervised by a trained early childhood teacher) and drawing upon the Early Years Learning Framework. Sessions are mobile and held within the community at an accessible venue. In tandem with early childhood development outcomes, the model provides a soft entry point for reaching families in crisis that may otherwise not be accessing government or other services.

Our model has the following components:

- High quality early learning playgroup session for children and their parents.
- Peer support for isolated parents.
- Parenting and family support.

The integrated model combines learning and play with ongoing family support, and is key to the success of the program. Helping families to address the root causes of issues that impact on family wellbeing (for example, substance abuse or family violence), increases the chances that children will go into the formal education system with high attendance rates and good learning outcomes.

The model has been independently reviewed with identified outcomes including: improved school readiness; more connected communities through decreasing social isolation for parents and children; greater social participation and connection to networks; and improved life skills for parents (Griffith University, 2011)⁹.

⁹ Boddy, J. and Cartmel, J. (2011). National Early Childhood Care and Development Programs Desk Top Study, Griffith University.

The model is staffed by:

- **An Early Childhood Educator** who designs and facilitates a structured early childhood program based on the Early Years Learning Framework
- **An Early Childhood Assistant** (ideally employed from the community) who assists the Educator.
- **A Family Support Worker** who uses the playgroup sessions as a soft entry point to engage families and provide case management and referrals to address issues impacting on wellbeing and family functioning e.g. parenting skills, family violence.

The mobility of the model enables it to be responsive to the needs of a broad range of communities. We have experience in farming communities, e.g. Hay in NSW, where families report that the two-hour intensive supported playgroup provided by Save the Children is the only contact they have each week with people outside their family. In urban communities, such as Salisbury West in Victoria, we know that socially isolated newly arrived families have trouble accessing transport highlighting the need for a mobile service. Our experience with transient communities in caravan parks across Brisbane demonstrates that they have a mistrust of centre-based services.

Based on Save the Children's Australia's current experience we estimate the cost per child is around \$900 per year¹⁰.

Overcoming barriers to early education for newly arrived migrant children

Newly arrived migrants, including refugees, are sometimes isolated and socially excluded due to language and cultural differences. Research by the McCaughey Centre in 2013¹¹ highlighted that early childhood services are critical sites for addressing health, developmental and social disparities among newly arrived children. Save the Children has also observed that the needs of young children can often be overlooked by settlement providers who focus on the needs of adults and young people. Save the Children's 'It Takes a Village' programs offer early childhood learning and homework programs combined with wrap around services for families such as casework, life skills sessions and other support. Children are then assisted to transition into mainstream early learning services.

Further details on the model are provided in the attachment.

Response to Information Request 12.7

Fixed funding pool for ECEC should include early entry ECEC services for disadvantaged children aged 0-3 years old. Intensive Supported Playschemes offer one cost-effective model combining play with intentional teaching and family support.

¹⁰ This cost may vary based on location and demographics.

¹¹ McCaughey Centre, Melbourne School of Population Health; Deborah Warr, Rosemary Mann and Danielle Forbes, *Once you've built some trust: Using playgroups to promote children's health and wellbeing for families from migrant backgrounds*, 38 Australian Journal of Early Childhood 1 (2013), pp 41-48.

5. Regulatory framework

Save the Children supports the National Quality Framework and voluntarily applies it to our Intensive Supported Playschemes. Quality standards are in the best interests of the child and consistent with Australia's obligations under the Convention on the Rights of the Child (Article 3):

States Parties shall ensure that the institutions, services and facilities responsible for the care or protection of children shall conform with the standards established by competent authorities, particularly in the areas of safety, health, in the number and suitability of their staff, as well as competent supervision.

5.1 Trained educators

Trained educators are at the core of an effective early learning and child development system. We understand the Commission is interested in introducing more flexibility in educator-to-child ratios in centre based care. We are comfortable with this approach in principle, provided it does not compromise care provided to the most disadvantaged children.

We note the Commission's draft report states that "Staff qualifications are the aspect of quality that has been found to have the most substantial effect on children's development outcomes"¹². We are pleased the Commission has recognised the importance of early childhood teaching qualifications *for children aged over 36 months*.

However, the Commission states that it has found little compelling evidence that requiring a proportion of those caring for children aged birth to 36 months to hold certain higher level education qualifications is necessary¹³. We refer the Commission to the work of Degotardi and Cheeseman (2014) which finds that higher levels of qualification are associated with global measures of quality, including quality of caregiving interactions¹⁴.

For services targeted at the most disadvantaged children, we recommend a more nuanced approach that is both affordable and practical whilst not compromising quality. This involves Certificate III (or equivalent) educators providing day-to-day care, supported by a more highly qualified educator who oversees programming and evaluation, and has the capacity to target early intervention strategies for vulnerable children. We adopt this model on our Intensive Supported Playschemes.

Response to Draft Recommendation 7.2

All educators working with disadvantaged children aged birth to 36 months:

- Hold at least a Certificate III or equivalent (or are working towards this qualification).
- Have access to educators with higher level qualifications (i.e. Diploma and above) to oversee programming and evaluation.

¹² Productivity Commission, Draft Report, page 173

¹³ Productivity Commission, Draft Report, page 277

¹⁴ Degotardi, S and Cheeseman, S (2014) Children Birth – 3: Impacts of quality of quality and qualifications Macquarie University

5.2 Working with children checks

Save the Children supports the establishment of a national working with children framework to strengthen the protection of children from offenders who move between jurisdictions. Currently, some states and territories exempt interstate visitors holding a valid working with children certification from having to reapply when travelling or relocating interstate, however these exemptions (where present) are different in every jurisdiction.

A national working with children framework would ensure consistent protections across Australia. Such a framework would also provide certainty for people in child-related employment that travel interstate for work and alleviate the requirement for re-certification when individuals relocate permanently. Further, a national framework would substantially reduce the cost and administrative burden for national child focused institutions such as Save the Children that have employees required to undertake child-related work across multiple jurisdictions. An application for a working with children check costs \$110 in Victoria and \$80 in NSW. For an organisation with several workers who need multijurisdictional checks, this cost can be substantial. Accordingly, there should be a single, nationally recognised working with children check.

We note and welcome the decision by the Council of Australian Governments (COAG) to establish a Law, Crime and Community Safety Council (Council) that will consider best practice approaches to the harmonisation of laws about working with children. The establishment of a single, nationally recognised working with children check should be a priority for the new Council and COAG.

Response to Draft Recommendation 7.10

State and territory governments should, as a matter of priority, harmonise background checks for ECEC staff and volunteers by implementing a single, nationally recognised 'working with children check'.

6. Funding for service providers

For very remote and highly disadvantaged communities, long-term funding security is vital to close the gap in early childhood outcomes. Save the Children therefore supports the concept of the *Disadvantaged Communities Program* to block fund providers to deliver services to concentrated populations of developmentally vulnerable children. Integration of ECEC services with other community services related to family support, health and schools is consistent with the model adopted by Save the Children. We are also pleased to see that essential integration or coordination functions will be funded, provided ECEC is the prime focus.

We note the Commission's preference that service providers be transitioned to child-based funding as soon as possible, where there is a viable labour market. The reality is that early learning centres in very remote and highly disadvantaged communities will not likely be financially independent for many years, even on a cost recovery basis.

For example, in Mornington Island in far-north Queensland, Save the Children operates the Kiridi Mayarr (small rainbow) long day care centre. Mornington Island is an Aboriginal governed Shire with a population of around 1,200 people. The day care centre opened 12 months ago, adjacent to the existing Child and

Family Centre, with capacity for 39 places. Currently there are 20 children enrolled with 13 regularly in attendance. One of the key challenges in filling the centre is building awareness about the importance and benefits of quality care and early learning. We are starting to see change, but it takes time. For instance, recently the community identified a family at risk and the child is now attending the childcare centre once a week. Even with heavily subsidised fees, many parents in the area find the childcare costs a struggle. The funding that Save the Children receives from government sources (in this case, the Queensland Department of Education and Employment) is core to providing this service.

Another aspect of Save the Children's model of ECEC provided to remote, Aboriginal communities is local staff upskilling. We see this as essential to providing culturally appropriate services, for sustainability, and also to build the capacity of the community to take ownership of the service. We work to provide training and employment opportunities that enable staff to remain in their community, and allow them to build upon the trust and relationships they develop with parents of the children who attend the centre. Again, a long-term commitment is important here to effect real change.

Save the Children supports the Commission's recommendation that 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).

Where there is no viable labour market, greater funding certainty with longer time horizons will enable organisations like Save the Children to put measures in place to address multiple barriers to service provision in remote and highly disadvantaged communities, whilst moving towards the ultimate objectives of the Government's Indigenous Advancement Strategy.

Response to Draft Recommendation 13.1

Greater certainty should be built into block grants with funding horizons of at least five years to address multiple barriers to ECEC service provision and build demand among highly disadvantaged Indigenous communities.

Attachment: Save the Children ECEC Programs

Save the Children works to help vulnerable and disadvantaged children and young people reach their full potential. We provide transformational programs in early childhood care and development, youth engagement, school attendance, and child protection and focus on the locations and areas of disadvantage where children and families are most vulnerable to poverty and social exclusion. Our vision is to create a world in which every child attains their right to survival, protection, development and participation.

In the area of Early Childhood Education and Care, we operate the following services:

1. Kindergartens

Save the Children operates two kindergartens in rural Victoria, at Mooroopna and Nowa Nowa. Since the early 1960s, these centres have been providing affordable and accessible preschool education for children who would otherwise miss out, with a particular focus on Aboriginal children.

Our kindergarten model incorporates the following:

- Transport to and from the kindergarten.
- Employment of local, Aboriginal staff.
- Culturally appropriate curriculum.
- Low cost for families.
- Family support services.
- Emergency support when necessary.

2. Long Day Care Centres

Save the Children operates two long day care centres in the Dampier Peninsula (Western Australia) and Mornington Island (Queensland), with a focus on providing quality early learning and care services to very remote and Aboriginal communities. Our long day care centre model incorporates the following:

- Program using the Early Years Learning Framework
- Additional literacy and numeracy interventions
- Integrated family support services
- Visits from allied health services (e.g. to promote good nutrition).

Dampier Peninsula Family and Early Learning Centre

This centre is located in Djarindjin, an isolated part of Western Australia approximately 1,850km from Perth and approximately 200km north of Broome. There are four communities in the area including Djarindjin, Ardyaloon, Lombadina and Beagle Bay with a combined population of approximately 1,300 people. In 2012 the Australian Army with funding support from the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs commenced building the regional Family and Early Learning Centre in Djarindjin. The centre opened in late 2013. We have capacity for up to 30 Aboriginal children aged 0-4 to access early childhood education and care alongside caregivers accessing parenting support.

Mornington Island Day Care Centre

The Kiridi Mayarr "Small Rainbow" day care centre opened in 2013 adjacent to the Child and Family Centre also run by Save the Children. The day care centre has capacity for 39 places. There are 20 children currently enrolled with around 13 regularly attending. Alongside early childhood and care services, a range of family activities are provided including positive discipline training programs, and parenting workshops. Our staff also help caregivers to access pre-school and school attendance programs.

3. Intensive Supported Playschemes

Over 30 years ago, Save the Children pioneered the Intensive Supported Playscheme model which now operates in over 100 sites nationwide. At least once a week, we reach communities in remote and isolated places and also urban settings such as caravan parks on the fringe of Brisbane.

The model is play-based learning combined with intentional teaching, provided by qualified educators drawing upon the Early Years Learning Framework. Sessions are mobile and held within the community at an accessible venue. In tandem with early childhood development outcomes, the model provides a soft entry point for reaching families in crisis that may otherwise not be accessing government or other services. Where available, we focus on transitioning children into mainstream early childhood services. In many remote locations, the Intensive Support Playscheme is the only pre-school early learning activity.

Our model has the following components:

- Weekly high quality early learning sessions for children under six years and their parents.
- Individual assessment and follow up.
- Peer support for isolated parents.
- Parenting and family support through role modelling, referrals, guest speakers from specialist agencies, and home-based case management to address issues impacting on child and family wellbeing and family functioning e.g. parenting skills, substance abuse, family violence.

It is staffed by:

- An early Childhood Educator who designs and facilitates a structured early childhood program based on the Early Years Learning Framework
- An early Childhood Assistant (ideally employed from the community) who assists the Educator.
- A family Support Worker who uses the playgroup sessions as a soft entry point to engage families and provide case management and referrals to address issues impacting on wellbeing and family functioning e.g. parenting skills, family violence

It Takes A Village

A variation of the playscheme model is our work with newly arrived migrant children who may initially face barriers to accessing mainstream early learning services due to language and cultural differences. The model includes:

- Weekly, two-hour early learning sessions for children 0–5 years and their mothers.
- Life skills sessions for mothers that run concurrent to early learning sessions.
- Casework for the whole family, including referrals and links to community services, information, advice and advocacy.

- Activities to engage older siblings and families such as homework support and family school holiday activities.

It is staffed by:

- A qualified Early Childhood Educator.
- Bicultural Workers – assist with homework support and early childhood sessions.
- A qualified Family Support Worker.

The program is accessible for isolated and socially excluded families. It is provided in community settings already visited by newly arrived communities and within walking distance from family homes or close to public transport. In our experience, the program may be the only out of home activity for some mothers and their children.