



Early Childhood Australia
A voice for young children

Moving from Vision to Action on Universal Early Childhood Education and Care

Submission to Productivity Commission Inquiry into
Early Childhood Education and Care

Early Childhood Australia

June 2023

EVERY
YOUNG
CHILD IS
THRIVING
AND
LEARNING

Acknowledgement

Early Childhood Australia (ECA) acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to Land and community. We pay our respect to them and their cultures, and to the Elders both past and present.

ECA acknowledges the unique place of Aboriginal and Torres Strait Islander peoples in our society, the past and current injustices and realities for them across Australia, and the enduring strength of their cultures and identities. We commit to being at the forefront of achieving a reconciled nation that values, respects and celebrates Aboriginal and Torres Strait Islander ways of knowing and being.



Early Childhood Australia
A voice for young children

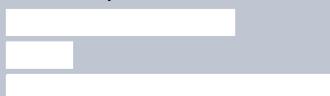
About us

ECA is a not-for-profit, membership-based organisation that was first incorporated in 1938. Our vision is that every young child is thriving and learning. To achieve this vision, we champion the rights of young children to thrive and learn at home, in the community, within early learning settings and through the early years of school. We work at both the national and local levels, with active State and Territory Committees in each Australian jurisdiction and a National Board of Directors. Our membership includes early childhood professionals, services, schools and organisations that share a commitment to the rights and wellbeing of young children.

Find out more at: www.earlychildhoodaustralia.org.au.

Contact

Samantha Page
CEO, Early Childhood Australia



Dr Daniel Leach-McGill,
Policy & Government Relations Executive





Table of Contents

Executive Summary.....	4
<i>Starting with vision.....</i>	<i>7</i>
<i>Realising the benefits of universal early learning</i>	<i>7</i>
<i>Building a universal approach</i>	<i>7</i>
Pillar 1: Access.....	7
Pillar 2: Affordability	8
Pillar 3: Inclusion	8
Pillar 4: Stability—a valued workforce	8
Starting with Vision.....	10
<i>The Early Years Strategy.....</i>	<i>10</i>
<i>A vision for early childhood education and care</i>	<i>11</i>
<i>Language matters</i>	<i>13</i>
<i>Sector demographics.....</i>	<i>14</i>
Realising the Benefits of Universal Early Learning	17
<i>Outcomes for children</i>	<i>17</i>
<i>Wellbeing outcomes.....</i>	<i>20</i>
<i>Workforce participation</i>	<i>21</i>
<i>Economic benefits</i>	<i>22</i>
<i>Understanding the impact of ECEC.....</i>	<i>23</i>
Building a Universal Approach	28
Pillar 1: Access.....	28
Pillar 2: Affordability	28
Pillar 3: Inclusion	28
Pillar 4: Stability	29
Pillar 1: Access	30
<i>Simplicity.....</i>	<i>30</i>
<i>Availability.....</i>	<i>30</i>
<i>An entitlement approach.....</i>	<i>31</i>
<i>System stewardship.....</i>	<i>31</i>
<i>Local area planning</i>	<i>33</i>
<i>Universal, not uniform.....</i>	<i>35</i>
<i>Quality.....</i>	<i>35</i>



<i>Connected, integrated and coordinated</i>	37
Pillar 2: Affordability	40
<i>Short term changes</i>	40
<i>Features of a functioning universal system</i>	41
Simplified access and eligibility through a universal entitlement	41
Child-level and parent-level entitlement	42
Fixed cost for families	42
Alignment of governance arrangements.....	43
<i>Funding model</i>	44
<i>Assessing the load</i>	45
Pillar 3: Inclusion	50
<i>The role of Inclusion Agencies</i>	51
<i>Support for children with disability or developmental concerns</i>	51
<i>The National Disability Insurance Scheme</i>	52
<i>Inclusion of vulnerable groups</i>	52
<i>Conceptual understanding and language</i>	53
<i>Aboriginal and Torres Strait Islander cultural responsiveness</i>	53
<i>Representation as a measure of engagement</i>	54
Pillar 4: Stability—a valued workforce	58
<i>Workforce shortages</i>	58
<i>Workforce demographics</i>	58
<i>Sector insights: exhausted but not without joy</i>	59
<i>Pay and conditions</i>	60
<i>Qualifications pipeline</i>	62
<i>Professional learning</i>	63
Conclusion	66
References & Resource List	67



Executive Summary

Australia, as a nation, should have a vision for young children that recognises the importance of the early years in establishing a foundation for long-term wellbeing and lifelong learning. The development of an ‘Early Years Strategy’ provides an opportunity to achieve that. The strategy must articulate who ‘we’ are as a nation for children, and recognise the wisdom of Aboriginal and Torres Strait Islander peoples, who have been raising children on this land for over 60,000 years.

A strengthened universal early childhood education and care (ECEC) system has the potential to be the primary mechanism through which Australia’s vision for young children can be realised. Universal early childhood education and care can deliver learning, development and wellbeing outcomes for children while also supporting and enabling parents and caregivers.

We acknowledge that the Prime Minister and state/territory First Ministers have commissioned the development of a vision for early childhood education and care. It is appropriate that this vision is shared across governments and has the support of senior decision-makers. It is also imperative that authority is clearly identified along with the mechanism through which governments’ stewardship roles are embedded and protected in policy.

In our submission to that process, we have argued for an aspirational vision that positively frames the opportunities that quality early childhood education and care provides.

The Productivity Commission Inquiry into ECEC provides the opportunity to reimagine a system that is capable of delivering layered social outcomes, such as:

- Every young child, regardless of geographic location or socioeconomic status, has an entitlement to high-quality, age-appropriate early childhood education that provides a foundation for their education journey, as well as their health and wellbeing, over the long term.
- Every family with young children has access to affordable, flexible, high-quality early childhood education and care which enables them to participate in activities that support their long-term economic and social wellbeing—including paid work, running a business, training or studying.
- Every community across Australia has the essential infrastructure needed for early childhood services, supported by all levels of government and delivered by early childhood professionals.

Of particular importance to getting the vision right is to conceptualise children as rights-holders and active agents in their own learning, and to understand that early education occurs in the context of relationships—relationships between children, and relationships with families. The way early childhood education and care is discussed can help to reinforce key messages about how the early years are critical for lifelong learning and wellbeing. In the first five years of life, children’s brains are wired to learn quickly. Quality early childhood



education and care helps to amplify their natural skills and abilities. Adopting language that reflect the children and the profession, throughout policies and funding mechanisms, demonstrated respect children and educators' professionalism.

The benefits of early childhood education and care are not discrete but can be broadly categorised across outcomes for children, reducing disadvantage, enhancing wellbeing, supporting workforce participation and strengthening the economy. Australia has a highly regarded *Early Years Learning Framework* (EYLF V2.0) and an excellent *National Quality Framework* (NQF) that is recognised internationally (see for example OECD, 2015). Together, these provide a strong foundation, but we need to ensure equitable access and participation for all children to realise the benefits. It is not good enough that one in five (22%) Australian children start school developmentally vulnerable and two in five (42.3%) Aboriginal and Torres Strait Islander children start school developmentally vulnerable (AEDC, 2021). A trend that has not shifted significantly since 2009.

Economic analysis undertaken over the past decade in Australia consistently identifies that early childhood education and care is one of the best investments we can make as a nation. The return on investment accrues from lifting education outcomes across the board, providing effective early intervention to children who might otherwise be at risk of poor educational achievement, supporting parents to engage in the workforce and households to be more self-reliant, as well as community-level economic and social impacts.

Our recommendations span a wide variety of action areas, all aiming to create a comprehensive, integrated, and efficient early childhood education and care system. To move from a vision into action we need:

1. **Visionary leadership and policy integration**—a national vision for early childhood needs to be developed, positioning early childhood as a critical community infrastructure. We imagine a future in which children and childhood are honoured and the importance of the profession is recognised.
2. **Public awareness and education**—a community education campaign to raise awareness about the value, importance and benefits of early childhood.
3. **Research and evaluation**—there is a need for further research to better understand the community impact of high-quality early childhood services. To do this, Australia needs a monitoring and evaluation framework that aligns with early childhood values and sound pedagogical practices.
4. **Access and infrastructure**—initiating a national stewardship system for service availability and the alignment of high-quality early childhood education and care with Paid Parental Leave policies for greater family choice. We advocate for a three-day guarantee that extends on the Preschool Reform Funding Agreement and delivers access to at least three days per week of quality early childhood education and care for every child.
5. **Affordability**—as well as the removal of the Activity Test, we need a new funding system to deliver the entitlement of three days per week for every family including

a model for remote and complex environments, including Aboriginal and Torres Strait Islander community-controlled services.

6. **Inclusion and diversity**—strengthen inclusion support and early intervention for children with developmental concerns, and invest in educators’ professional learning for inclusion of children with additional needs. ECA also advocate for increased funding for children with disabilities and additional needs, and firm commitments to lift preschool participation rates amongst vulnerable cohorts.
7. **Workforce development and stability**—there is an urgent need to improve the pay and conditions of the early childhood profession and progress a workforce strategy that includes research and data on the ECEC workforce, career pathways and retention strategies, and consistency regarding recognition of qualifications and registration requirements across jurisdictions and settings.

These recommendations cut across multiple areas of action, including policy, community engagement, research, access and infrastructure, affordability, inclusion and diversity, and workforce development. Each area is crucial to building a holistic and effective early childhood education and care system.

Australia needs a durable early childhood education and care system if we are to achieve the objectives of gender equality, increased employment and productivity and a fairer society. We need to reimagine a fairer early childhood system for young children that is built on firm foundations. We have identified four pillars that are essential to this:

Figure 1: Four pillars



These are not merely aspirational values, but choices we must make to create a sustainable, robust, and impactful early childhood education and care system. They are deliberate actions that express our commitment to our children, our communities and our collective future. In making these choices, we embed these values in our policy, practice and ultimately, choose a future that is richer, fairer and more hopeful for all.

Summary of Recommendations

Starting with vision

ECA Recommendation 1: The national vision for the early years being developed as part of the 'Early Years Strategy', and the vision for early childhood education and care being developed by first ministers, create a mandate for a universal approach that prioritises outcomes for both children and families.

ECA Recommendation 2: The early childhood education and care sector is positioned as the backbone of the early years system supporting children and families and critical community infrastructure is needed in every community, delivered by valued professionals.

ECA Recommendation 3: Early education policy and practice in Australia is to be founded on positive conceptualisation of children and childhood, including language that is affirming and respectful to the role of early childhood educators and teachers.

Realising the benefits of universal early learning

ECA Recommendation 4: Community education campaign on the importance of early childhood education and care, and the associated benefits for children, families and communities more broadly.

ECA Recommendation 5: Expanding the role of educators to support parents and enhance home learning environments (e.g. encouraging more engagement in play and supporting language development through song, rhyme and reading).

ECA Recommendation 6: Further research to quantify the community impact of early childhood education and care.

ECA Recommendation 7: Develop a monitoring and evaluation framework that encompasses the diverse outcomes of early childhood services and intersecting policy priorities.

ECA Recommendation 8: Prototype a measurement framework and test the adequacy of currently collected data to assess the health of the system against priority criteria (a precondition for generating Australian evidence).

ECA Recommendation 9: Ensure that measurement and evaluation is grounded in early childhood values and sound pedagogical practices.

Building a universal approach

Pillar 1: Access

ECA Recommendation 10: National stewardship system to ensure availability of services that meet the needs of families and communities across Australia.

ECA Recommendation 11: Ensure continued investment in and connection between ECEC and Paid Parental Leave policies to provide families with more choice and control about balancing care and work.

ECA Recommendation 12: Adopt a minimum entitlement to three days of quality early childhood education and care – aligned to the three-day guarantee proposed by the Centre for Policy Development in *Starting Better* (2021).

ECA Recommendation 13: Extend the Preschool Reform Funding Agreement to provide quality preschool programs to all three- and four-year-old children (for two years) prior to commencing compulsory school, and increase provision in the year before school from 15 hours a week to 30 hours a week for children at risk of educational disadvantage.

ECA Recommendation 14: The future early childhood education and care system is built on an entitlement for children to have access to at least three days per week of quality early childhood education and care.

Pillar 2: Affordability

ECA Recommendation 15: ECA recommend the immediate removal of the Activity Test to enable at least three days of subsidised care per week.

ECA Recommendation 16: Create a funding system to deliver an entitlement of three days per week for every family.

ECA Recommendation 17: Develop and adopt a new funding model for remote and complex environments including a new model for Aboriginal and Torres Strait Islander community-controlled early childhood services, led by SNAICC.

ECA Recommendation 18: Amend the Activity Test on the Child Care Subsidy to increase the minimum hours that children can attend from 12 hours/week to 36 hours/week (see Appendix 1) at the same time as Child Care Subsidy increases come into effect (July 2023).

Pillar 3: Inclusion

ECA Recommendation 19: Strengthening inclusion support and early intervention to ensure timely responses to children with developmental concerns.

ECA Recommendation 20: Invest in educators' and teachers' professional learning related to inclusion of children with additional needs and trauma-informed practice.

ECA Recommendation 21: Increase funding for children with disabilities and additional needs attending early learning services to match increased demand, and fund research into models that might most appropriately help meet their needs.

ECA Recommendation 22: Adopt firm commitments to lift preschool participation rates amongst vulnerable cohorts, including Aboriginal and Torres Strait Islander children; children with a disability, additional needs or developmental concerns; those living in rural, remote and disadvantaged communities where the availability of early childhood services is limited; and children from culturally and linguistically diverse backgrounds—including recently arrived humanitarian entrants.

Pillar 4: Stability—a valued workforce

ECA Recommendation 23: Structural reform through multi-employer bargaining or the Fair Work Commission (wage equity review) to address pay equity for teachers as well as for certificate- and diploma-qualified staff against comparable positions in schools.

ECA Recommendation 24: Develop and resource a 'Quality Jobs Initiative', working with ECEC employers to identify and share good practice to improve job security, working conditions, rostering practices, manageable workloads and appropriate investment in professional development, which will improve retention and stabilise the workforce.

ECA Recommendation 25: Continue to invest in the 'National Workforce Strategy' and new workforce measures such as an 'attract back' campaign and enhanced data collection on the ECEC workforce.

ECA Recommendation 26: Improving VET completion rates and support for students in workplaces (including targeted strategies for specific population groups—Aboriginal and Torres Strait Islander people, culturally and linguistically diverse Australians, people with a disability, people living in rural and remote locations, etc.).

ECA Recommendation 27: Continued government support for entry-level VET qualifications and upskilling programs to upgrade certificate to diploma and diploma to degree—including streamlined access and intensive training options where appropriate. Including paid internships for students in the fourth year of their early childhood teacher qualification. Valuing and understanding the profession.

ECA Recommendation 28: More research and data on the ECEC workforce—pipeline of trainees, career advice messaging, career pathways, retention strategies, etc.

ECA Recommendation 29: Developing consistency in relation to recognition of qualification and registration requirements across jurisdictions and settings.

Starting with Vision

The Early Years Strategy

Early Childhood Australia (ECA) members believe that Australia, as a nation, should have a vision for young children that recognises the importance of the early years in establishing a foundation for long-term wellbeing and lifelong learning. A vision that is supported by both federal and state/territory governments, with the endorsement of both families and early childhood professionals.

The federal government has created an opportunity for this through the development of the 'Early Years Strategy' and we are pleased to participate in that process. In the words of Professor Fiona Stanley AC:

This government is giving us the best opportunity we have ever had to get things right in the early years and grow a nation that values children more than GDP. We must not fail.

To succeed, the 'Early Years Strategy' must have a mandate with appropriate authority and reach into areas of policy and systems that impact the lives of children. The connections between the strategy and other government initiatives, frameworks and strategies must be clearly articulated and authorised. The strategy should imagine and deliver an exceptional childhood for all children. It needs to strike a critical balance to promote action that reflects the interests of all children and prioritises action for children who are marginalised or experiencing vulnerability, so that all benefit from the type of childhood that the strategy seeks to progress.

Importantly, the strategy must articulate who 'we' are, as a nation, for children.

ECA would like to recognise the substantial work undertaken to develop the 'National Aboriginal and Torres Strait Islander Early Childhood Strategy' that was developed in partnership between National

Indigenous Australians Agency and SNAICC. This strategy sets out a vision that 'Aboriginal and Torres Strait Islander children (birth to five years) are born healthy and remain strong, nurtured by strong families and thrive in their early years'. The goals under the strategy are that Aboriginal and Torres Strait Islander children:

- are born healthy and remain strong
- are supported to thrive in their early years
- are supported to establish and maintain strong connections to culture, Country and language
- grow up in safe, nurturing homes, supported by strong families and communities
- are active partners in building a better service system (along with their families and communities).

While this strategy was developed through a process of co-design with Aboriginal and Torres Strait Islander communities for Aboriginal and Torres Strait Islander children, the vision and goals articulate a strong aspiration that could, with appropriate permission and consultation, be adopted for all children.

There is an opportunity for the 'Early Years Strategy' to recognise the wisdom of over 60,000 years of raising children and to be led by the voices of Aboriginal and Torres Strait Islander peoples in articulating a vision for childhood in Australia. There is also value in looking across the world and challenging both how we perceive children here in Australia, and the social value we place on positive childhoods.

A strengthened universal early childhood education and care system has the potential to be the primary mechanism through which Australia's vision for young children vision can be realised. Universal early childhood education and care can deliver learning,

development and wellbeing outcomes for children while also supporting and enabling parents and caregivers. There is also the potential for early childhood services to connect to other government priorities such as closing the gap, protecting Australia's children, mental health, disability, and ending violence against women and children, and therefore function as a 'multiplier' for other priority policy outcomes.

A vision for early childhood education and care

The national vision for early childhood education and care must place the best interests of children at the centre of all early childhood policy and program decision-making. There is an opportunity to prioritise decisions that ensure high-quality, play-based early childhood education and care that is accessible, affordable, inclusive and stable—so that every young child is thriving and learning. Children also benefit from parents and carers being able to participate in the workforce; this is another important goal of early childhood education and care. Services provided need to be flexible, accessible and affordable to enable families to work, recognising that the future of work might be quite different to historical patterns of work.

We acknowledge that the Prime Minister and state/territory First Ministers have commissioned the development of a vision for early childhood education and care. It is appropriate that this vision is shared across governments and has the support of senior decision-makers. It is also imperative that authority is clearly identified along with the mechanism through which governments' stewardship roles are embedded and protected in policy. ECA's submission to that process calls for an aspirational vision that positively frames the opportunities that quality early childhood education and care provides. We also argue that it is important for the early childhood profession to be visible in the vision.

To succeed, the vision needs to be authorised and owned by government to ensure that it is not only implemented but also well connected to other initiatives, frameworks and strategies. The connection between the vision and other initiatives—spanning portfolios, departments and jurisdiction—needs to be explicit. This is important in understanding how the vision connects to other significant strategies (the 'Early Years Strategy'; *National Plan to End Violence Against Women and Children*; *National Framework for Protecting Australia's Children*) and its authority across the system.

The *Mparntwe (Alice Springs) Education Declaration* sets two distinct but interconnected goals for the Australian education system:

Goal 1: The Australian education system promotes excellence and equity.

Goal 2: All young Australians become confident and creative individuals, successful lifelong learners and active and informed members of the community.

To achieve these goals, we must begin in the early years where the foundations are being laid. Australia has a highly regarded *Early Years Learning Framework (EYLF V2.0)* and an excellent *National Quality Framework (NQF)* that is recognised internationally (see for example OECD, 2015). Together, these provide a strong foundation for universal early childhood education and care, but we need to ensure equitable access and participation for all children to fully realise the benefits.

The Productivity Commission Inquiry into ECEC provides the opportunity to reimagine a system that is capable of delivering layered social outcomes, such as:

- Every young child, regardless of geographic location or socioeconomic status, has an entitlement to high-quality, age-appropriate early childhood education that provides a foundation for their education journey, as



well as their health and wellbeing, over the long term.

- Every family with young children, has access to affordable, flexible, high-quality early childhood education and care which enables them to participate in activities that support their long-term economic and social wellbeing – including paid work, running a business, training or studying.
- Every community across Australia has the essential infrastructure needed for early childhood services, supported by all levels of government and delivered by early childhood professionals.

Once agreed upon, a national vision for early childhood education and care needs to be captured in legislation or in a form that

positions it with authority, so that it is recognised with the same gravitas as the *Mparntwe Education Declaration*.

It is critical that the vision recognises and reflects the value of professionally led early childhood education and care. In addition, it needs to conceptualise children as rights-holders and active agents in their own learning and to understand that early education occurs in the context of relationships—relationships between children and relationships with families and community. An example of this can be found in the work done for the SA Government by Professor Carla Rinaldi, summarised below

SA Thinker in Residence

The South Australian Government invited Professor Carla Rinaldi to be Thinker in Residence (2012–2013) to support the SA Government's priority to provide 'Every Chance for Every Child'. The resulting report, titled *Re-imagining Childhood: The inspiration of Reggio Emilia education principles in South Australia*, provided recommendations about strengthening early childhood across the state.

The Reggio Emilia approach is an educational philosophy based on the image of the child, and of human beings, as possessing strong potentials for development and as a subject of rights who learns and grows in the relationships with others.

This global educational project—which is carried forth in the municipal infant–toddler centres and preschools of Reggio Emilia, Italy, and has inspired other schools all over the world—is based on a number of distinctive characteristics: the participation of families, the collegial work of all the personnel, the importance of the educational environment, the presence of the *atelier* and the figure of the *atelierista*, the in-school kitchen, and the pedagogical coordinating team. Focusing on the centrality of the hundred languages belonging to every human being, in the atelier spaces young children are offered daily opportunities to encounter many types of materials, many expressive languages, many points of view, working actively with hands, minds and emotions in a context that values the expressiveness and creativity of each child in the group.

In her report, Professor Rinaldi suggested that re-imagining childhood in South Australia first and foremost requires a fundamental change in thinking about the child:

- Moving from the view of the child as being 'weak' or 'cute', to recognition of the competent and capable child who possesses many resources from birth.
- Moving from an emphasis on children with needs, to a focus on the rights of all children.
- Moving from the acceptance that children are invisible, to recognition that children are fully participating citizens from birth.

These reconstructions will need to occur in attitudes, in ways of thinking, and in approaches to early childhood.

Re-imagining Childhood: The inspiration of Reggio Emilia education principles in South Australia can be downloaded at

Language matters

The early childhood education and care sector in Australia is complex—there are multiple service types which can be confusing and terminology often varies from region to region (e.g. preschool, kindergarten and pre-K). Many words used to talk about early education and care diminish the importance of what educators do. When people talk about ‘child care’, they reinforce outdated views that undervalue early childhood education and care.

There is also considerable public confusion about early childhood education and care. Young children learn best through play-based experiences that are suited to their interests and developmental stage. Qualified early childhood educators support and extend play to maximise learning through exploration, inquiry and problem-solving. Educators partner with families in understanding and supporting their child’s learning, wellbeing and development. It is important that play and play-based learning are promoted as important and legitimate in early education settings, while also recognising the role of teachers and educators involved in intentional teaching.

The Productivity Commission can help to change these views through adopting consistent, affirmative, inclusive and sector-accepted language about ECEC that supports the professionalism of the sector. Language that is particularly important includes:

- child and children, rather than kids or students
- educator and/or early childhood teacher, rather than child care worker
- early childhood service or setting, rather than day care centre
- early childhood sector or profession, rather than industry.

The way early childhood education and care is discussed can help to reinforce key messages about how the early years are critical for lifelong learning and wellbeing. In the first five years of life, children’s

brains are wired to learn quickly. Quality early childhood education and care helps to amplify their natural skills and abilities. Everyone has a part to play in building recognition for the importance of early education. By choosing words carefully, we demonstrate the value of the sector and respect for educators’ professionalism.

In our publication *How to Talk About Early Childhood Education and Care* (ECA, 2021) we define the following key terms:

Early childhood is the period of a child’s life from birth to eight years of age. Children grow and develop most rapidly in their first five years of life.

The **early childhood sector** includes a range of early childhood education and care settings such as long day care, kindergarten, preschool, family day care, in-home care, mobile services, occasional care and outside school hours care.

Early childhood education and care refers to the holistic development of a child’s social, emotional, cognitive and physical abilities in a way that meets each child’s needs, to build a solid and broad foundation for lifelong learning and wellbeing.

Early childhood education refers to the component of early childhood education and care that is focused on brain development and cognitive growth. It involves qualified educators planning experiences that will help children to learn while they are playing.

Early learning and development is the result of early childhood education and care, and occurs when qualified educators plan and deliver quality programs, and then observe the changes in children’s social, emotional, cognitive and physical abilities.

Play is essential to children’s learning and development. Play enables children to make decisions, learn, take risks and have fun.

Quality refers to the standard of education and care provided at an early childhood education and care service.

Ratios are the number of educators working directly with children, based on the ages and numbers of children in a service.

Approved providers are persons/entities approved under Family Assistance Law to provide education

and care in one or more services and receive Child Care Subsidy on behalf of eligible families.

We also provide the following descriptions of the different types of early childhood education and care services required to be approved by a state or territory regulatory authority and meet prescribed standards of education and care (this is not an exhaustive list):

SERVICE TYPE	DESCRIPTION
Centre-based care	Education and care for children up to school age, including long day care, kindergarten/ preschool, children’s centres, occasional care and outside school hours care.
Family day care (FDC)	Education and care provided by a family day care educator in their own home as part of a service.
Outside school hours care (OSHC)	Education and care provided (‘meaningful leisure’) before and after school hours, and during school holidays for children who normally attend school (under 13 years of age).
Vacation care	A type of OSHC service provided for school-aged children during school holidays.
In-home care	Education and care provided in the home of a child by an educator where a family meets particular eligibility criteria, such as working non-standard hours, or being isolated.
Mobile children’s services	Education and care provided ‘on wheels’ in isolated, rural and remote communities. May include preschool, toy libraries and playgroups.
Kindergarten/ Preschool	Education and care provided for children in their year before primary school, which meets specific requirements and is delivered by a teacher with a degree. Some states and territories fund preschool for three-year-old children (two years prior to primary school). Preschools might be standalone services, or sessional programs within long day care.

Sector demographics

According to the most recent ACECQA Snapshot (Q1, 2023) there are 17,278 children’s education and care services approved to operate under the NQF. Figure 2 provides an overview of the service types by provider type, to demonstrate that there are different patterns of provider type across service types. For example, standalone preschool/kindergartens are largely delivered by not-for-profit organisations or schools, while long day care services are largely delivered by for-profit providers. It is also worth noting that around a third of the early childhood sector consists of standalone providers with one service or school only; another third operates 2–25 services; and the last third are large providers with more than 25 services (see Figure 3). There are significant differences in performance against *National Quality Standard* (NQS) across both provider types and service types, as well as across jurisdictions (see ACECQA, 2023) that warrant further analysis by the Commission.



Figure 2: Distribution of services by provider type

Provider Type	Service Type				Overall
	Preschool/ Kindergarten	Long Day Care	Family Day Care	Outside School Hours	
For profit	1%	68%	60%	48%	52%
Not for profit	60%	24%	25%	34%	33%
State/territory and local government managed	22%	4%	16%	3%	7%
School (government, Catholic or independent)	18%	3%	0%	14%	8%

Figure 3: Distribution of services by provider size

Provider size category	Number of services	% of services
Standalone: 1 service	5,733	33%
Medium: 2–24 services	5,509	32%
Large providers: 25+ services	6,036	35%
Total	17,278	



Recommendations

ECA Recommendation 1: The national vision for the early years being developed as part of the 'Early Years Strategy', and the vision for early childhood education and care being developed by first ministers create a mandate for a universal approach that prioritises outcomes for both children and families.

ECA Recommendation 2: The early childhood education and care sector is positioned as the backbone of the early years system supporting children and families and critical community infrastructure needed in every community and delivered by valued professionals.

ECA Recommendation 3: Early education policy and practice in Australia to be founded on positive conceptualisations of children and childhood, including language that is affirming and respectful to the role of early childhood educators and teachers.

Realising the Benefits of Universal Early Learning

Outcomes for children

Universal access to high-quality early childhood education and care benefits all young children, particularly those children living in circumstances of social vulnerability and disadvantage. There is growing evidence that the best way to realise these benefits is to maximise access to early childhood education and lift outcomes for all children.

Evidence consistently affirms that when children have inclusive, positive and rich early learning experiences, they are more likely to experience long-term:

			
Educational achievement	Employment productivity	Lifetime and intergenerational health	Lifetime of social productivity and socioeconomic inclusion
duration of education and education levels achieved	higher income and more contributions to the economy through taxes	better physical and mental health	more connected and less likely to come in contact with the justice system

(summarised from ECA 2019; citing HighScope, 2019; Jones et al., 2015; Campbell et al., 2014).

For children birth to three, strong partnerships between high-quality early childhood settings and their home environment ensure that they feel safe, nurtured and supported to be curious and confident. Young children benefit from stable relationships with professional educators who provide a rich learning environment. From the age of three years, all children benefit from high-quality, play-based early education—children learn from the teachers and educators, but they also learn from each other and together. The benefits of high-quality early education increase when children receive two years of quality preschool (Fox & Geddes, 2016; Pascoe & Brennan, 2017).

In 2021, 65.9% of three-year-old children in Australia were accessing a preschool program. This increased to 85.1% for four-year-old children and to 96.8% for children enrolled in preschool for 15 hours or more in the state-specific year before school (Productivity

Commission, 2022). Many children who are missing out are economically disadvantaged.

Currently, the main data we collect on the development of children within the first five years of life in Australia is the Australian Early Development Census (AEDC), which is conducted every three years. Data is collected by teachers of children in their first year of school. Teachers respond to around 100 questions that measure early childhood development across five key areas known as domains (see Figure 3 below). Children are allocated a score against the domains to determine whether they are developmentally on track (25th–100th percentile), developmentally at risk (10th–25th percentile) or developmentally vulnerable (lowest 10th percentile). Each census year, scores are compared to 2009 when the AEDC was first conducted (AEDC, 2021). A decrease in the percentage of children who are vulnerable or at risk in each domain (relative to 2009)

suggests an overall improvement in outcomes. The AEDC also records teacher reports of which children attended ECEC (to their knowledge).

To close the gap between children, it is important to monitor and address barriers to early learning

experienced by children who are at risk or vulnerable. Developing strong early learning skills is important as it predicts later school success (O'Connor et al., 2018).

Figure 3: AEDC domains

The five AEDC domains

	 Physical health	 Social competence	 Emotional maturity	 Language and cognitive skills	 Communication
Developmental domain	Child is ready each day, healthy and independent, and has excellent gross and fine motor skills.	Child gets along with others and shares, is self-confident.	Child is able to concentrate, help others, is patient, not aggressive or angry.	Child is interested in reading or writing, can count and recognise numbers and shapes.	Child can tell a story, communicate with adults and children, articulate themselves.
Developmentally vulnerable	May include children who are frequently hungry, tired, late, clumsy and/or inappropriately dressed.	May include children who do not get along with others, accept responsibility, or follow directions; have low self-confidence or self-control; and/or are disrespectful.	May include children who have difficulty regulating their emotions, including being aggressive, disobedient, inattentive, impulsive or easily distracted.	May include children who struggle with or are uninterested in reading, writing and/or numbers, as well as those who have memory difficulties.	May include children who have poor communication, articulation, general knowledge and/or comprehension, or those who have difficulties speaking English.

The most recent AEDC data collection was undertaken in 2021. Data was collected on over 305,000 children in their first year of full-time school and from approximately 7,500 primary schools (AEDC National Report, 2021). The data shows a ‘small but significant’ increase in the proportion of Australian children who were developmentally vulnerable, with the percentage of children who were on track on five

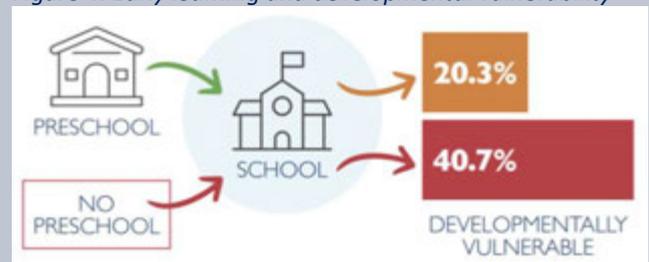
domains decreasing for the first time since 2009 (from 55.4% in 2018 to 54.8% in 2021). What is most worrying is that the ‘lost ground is most evident where there was existing developmental disadvantage’. Key results include:



- Children assessed as developmentally vulnerable on one or more domain increased from 21.7% in 2018 to 22% in 2021.
- Children assessed as developmentally vulnerable on two or more domains also increased from 11% in 2018 to 11.4% in 2021.
- Developmental vulnerability among Aboriginal and Torres Strait Islander children decreased from 47% in 2009 to 42% in 2021. Nonetheless, twice as many Indigenous children were developmentally vulnerable (42.3%) as their non-Indigenous counterparts (20.4%).
- Children living in the most socioeconomically disadvantaged communities are twice as likely to be vulnerable on one or more AEDC domains and three times more likely to be vulnerable on two or more domains compared to children living in communities with high levels of socioeconomic advantage. Fewer than 15% of children in the least economically disadvantaged communities were developmentally vulnerable, compared to 33.2% of children in the most disadvantaged communities.
- 21% of children living in major cities were vulnerable on at least one domain, compared to 45.5% of children in very remote communities. For children living in very remote communities, developmental vulnerability has increased (1.2%) since 2012, while for children living in major cities, developmental vulnerability remained stable.

In 2021, children who did not attend any early childhood education and care were twice as likely to be developmentally vulnerable on one or more domains when starting school than children who did attend (40.7% compared to 20.3%) (Productivity Commission, 2022). This adds to previous Australian research findings that children who attend preschool are significantly less likely to be developmentally vulnerable than those who do not attend preschool. This is not explained by differences in socioeconomic status between children who attend preschool and those who do not, as both children from advantaged and disadvantaged communities benefited from preschooling (CCCH, 2014).

Figure 4: Early learning and developmental vulnerability



As reported in the *State of Early Learning* (Early Learning: Everyone Benefits, 2019) for children experiencing the worst disadvantage, participation in early childhood education and care can be life-changing. The study, *Changing the Life Trajectories of Australia's Most Vulnerable Children* (Jordan & Kennedy, 2019), for example, demonstrates that intensive early education programs with support to parents makes a significant difference in children's cognitive, social and emotional outcomes.

Early childhood educators also work with families to support children's learning development at home and in the community. This can be particularly important for the development of oral language and literacy, where the use of rhymes, songs and books can create a rich language environment both within services and at home, substantially increasing children's vocabulary and early literacy. ECA is a member of the National Early Language and Literacy

Coalition (NELLC), a body of 10 key organisations, and together with the support of the Ian Potter Foundation, have developed a proposed national strategy with four priority areas—family support within communities; early education and transitions; specialist support; and knowledge production and dissemination. A more universal approach to early childhood education and care brings an opportunity to adopt a more holistic approach to support early language and literacy, not only within early childhood services but across children’s lives.

Wellbeing outcomes

Early childhood services make a significant contribution to wellbeing at a child, family and community level. They overlap and intersect with key policy priority areas for governments, such as health, mental health, disability, child protection, closing the gap, ending violence against women and children and supporting families experiencing hardship. The role of early childhood services spans identifying, referring and responding to emerging priorities through to collaborating to embed responses and structures that support children and families to address their needs. Approaches commonly include referring families to services, bringing supports or practices into the setting to support a child’s inclusion, involving parents in the program, engaging in care, and case management teams to advocate for the interests of the child and collaboratively planning to support the family.

The domains described in ‘The Nest’—ARACY’s wellbeing framework for children and young people aged 0 to 24 years—conceptualise wellbeing as six interconnected domains that support each other to help children reach their potential. These are: being valued, loved and safe; having material basics; being healthy; learning; participating; and having a positive sense of identity and culture. To have optimal wellbeing, a child or young person needs to be adequately resourced in all six domains. This

understanding of wellbeing offers a framework through which the diverse effort of services and the connection between other policy priorities can be made visible.

ECA propose that a well-defined articulation of wellbeing be embedded in the objectives of the universal approach to early childhood education and care, so that the funding model and policy interconnection is designed into the system rather than being retro-fitted or patched up later. Governments play a vital role in profiling the wellbeing priorities with communities (combining data and consultation) and configuring and resourcing responses.

A practical application of this conceptualisation is to map out the value and contribution of high-quality early childhood education for children, families and communities. For some families and communities, supporting children’s educational outcomes and parents’ workforce participation may provide an adequate measure; for others, early childhood education and care is an input to a wide range of wellbeing outcomes.

There is also potential to leverage the investment in early childhood education and care to better support parents and caregivers. Early childhood services form collaborative relationships with parents and caregivers. Educators are often a source of advice and can resource families with knowledge. This has the potential to positively influence the home learning environment, particularly if we actively support conversations between educators and families. By way of example, a recent poll by the Royal Children’s Hospital (RCH) showed that most parents (94%) recognise play is important for a child’s health, including physical wellbeing and brain development, and 80% of parents would like their children to spend more time outdoors. Yet less than half (45%) of Australian children play outdoors most days. A third of parents (32%) say it is not good for play to involve risk; almost two in three parents

(61%) often find playing with their child hard or boring; and most parents (58%) are keen to learn more about how to play with their child (RCH, 2023). There is a potential role for early childhood educators and teachers in supporting parents to understand and become more confident to engage in play, particularly if this were resourced and actively supported through future funding models.

Workforce participation

Early childhood education and care is a key enabling factor in parental workforce participation, particularly for women. As reported in the *State of Early Learning Report* (Early Learning: Everyone Benefits, 2019) in the four years to 2017, the number of families in which both parents worked full time doubled, rising to one-third of all families with two parents (ABS, 2017). The ECEC sector directly supports the Australian economy by enabling these parents—mothers, in particular—to work. In the year before school, families with children attending preschool reap a combined benefit of nearly \$1.5 billion through additional hours worked (PwC, 2019).

Nonetheless, the cost of early learning remains a barrier for many families, keeping them away from early childhood education and care or limiting them to fewer hours than they would like.

In 2018, low-income families were devoting nearly twice the proportion of their weekly income to ECEC as high-income families (Productivity Commission, 2019). A lack of access to affordable childcare that meets their family’s needs is cited by mothers as a key reason for not being employed in the capacity that they wish.

As Danielle Woods from the Grattan Institute said in her opening keynote to the Jobs and Skills Summit, Australia ranks 38th in the world on women’s workforce participation, despite having world-leading levels of female education. This is a significant inhibitor on our economy and a major unrealised opportunity. We concur with her assessment that ‘...

if untapped women’s workforce participation was a massive ore deposit, we would have governments lining up to give tax concessions to get it out of the ground’ (Woods, 2022).

Currently we have just under one million families accessing early childhood education and care—this could be much higher. We need to address barriers to access, including affordability and availability, to provide universal access.

- The employment rate for partnered mothers whose youngest child was under five years was 63% in 2019, and for single mothers with the youngest child of the same age, it was 39% (Warren et al., 2020).
- Childcare costs were 23% of a couple’s average wage—in 2021 (OECD, 2022), the median weekly cost of 50 hours of approved centre-based ECEC services was \$540 (Productivity Commission, 2022).
- The most common ECEC service-related reason provided for not being in the labour force was the cost of attending ECEC (26.7%) (Productivity Commission, 2022).

The *Child Care Package Evaluation: Final Report* (Bray et al., 2021), published by the Australian Institute of Family Studies (AIFS), revealed that the Child Care Package (introduced in 2018) has had limited impact on improving affordability and flexibility of early childhood education and care and has ‘not been effective, to date, in reducing increases in child care fees’ (p. vi). The report further notes that many families are accessing high levels of unsubsidised hours in early childhood education and care. Concerningly, vulnerable groups are disproportionately represented in groups with eligibility to fewer hours of subsidised early childhood education and care (24 and 36 hours per fortnight). The report notes in its concluding remark: ‘The real challenge is in developing a clearer vision of the role of early childhood education and care in Australia, and working towards this’ (p 348).

Unfortunately, the current Child Care Subsidy (specifically the activity test) is limiting access to families with secure, regular workforce participation and excluding families with variable or precarious employment, exacerbating disadvantage. It is also not the right model of funding for remote and complex environments.

This also disproportionately affects families with more financial constraints:

The incidence of having a ... child with additional needs is higher in more financially constrained families ... this financial constraint may be associated with, for example, a lower ability to engage in employment because of caring demands or costs associated with the needs of the child (*Bray et al. 2021*).

Families with children who have disabilities often face exclusion from services. The AIFS *Child Care Package Evaluation* (Bray et al., 2021) reported that 20 per cent of families with a child with additional needs had to change services because their children's additional needs could not be met. These families were also more likely to be dissatisfied with their service. The evaluation also reported the practices of services not offering places to children with additional needs or operating a quota system—capping the number of children who could attend.

When configuring society for productivity, high-quality early childhood education and care that is affordable and accessible must be at the centre of workforce participation strategies.

ECA joins organisations like the Centre for Policy Development (CPD) and The Parenthood in calling for increases to paid parental leave for Australian families. The *Back of the Pack* report (Equity Economics, 2021), commissioned by The Parenthood, has demonstrated that despite women holding higher levels of post-school qualifications than their male counterparts, they experience lower workforce participation in every age group except 15 to 24

years. The report also shows that Australia is lagging in terms of female labour participation compared to countries such as Canada, Germany and Sweden, which provide more generous paid parental leave. A comparison between Sweden and Australia's employment rates for women across the life course shows that while Australian women commence working ahead of Swedish women, Australian women's participation rates fall behind when they reach the peak period for having children. If participation rates of Australian women were maintained at the levels of their Swedish counterparts, through better access to paid and shared parental leave, Australian women's lifetime earnings would increase by 32% (\$696,000) and superannuation balance would increase by 20% (\$180,000) (Equity Economics, 2021).

Economic benefits

Economic analysis undertaken over the past decade in Australia consistently identifies that early childhood education and care is one of the best investments we can make as a nation.

Supporting parents to engage in the workforce increases economic activity, income tax revenue and reduces household reliance on family assistance payments. These benefits are amplified in the current context of workforce shortages and the underemployment of women. KPMG (2019) identified reducing the out-of-pocket costs of early childhood education and care as a mechanism to lift national productivity through reducing the Workforce Disincentive Rate and unlocking the skills available to the workforce if parents (largely women) were to increase their workforce engagement.

Providing children with optimal learning opportunities in the early years of life will lift education achievements and employment outcomes, building our workforce capacity over the long term. Engaging all children in ECEC also increases our ability to identify developmental concerns or additional

learning needs early and provide effective early intervention, with long term savings to the education system. In 2019, the economic analysis commissioned by The Front Project (PwC, 2019) evaluated a \$2 return on investment for every \$1 invested in high-quality ECEC in the year before school. It also noted the potential to increase this benefit by investing in quality, committing to ongoing funding, increasing access and offering two years of quality early childhood education in the years before school.

Reports by PricewaterhouseCoopers (PwC, 2014; 2019) have predicted some of the economic benefits for Australia's GDP attributable to a high-quality early childhood education. Overall, PwC (2019) projected a \$2 benefit for every \$1 spent on preschool in the year before school, for a total benefit of \$4.74 billion distributed to the government (41%), parents and carers (31%), children in the program (21%), and employers and businesses (7%). Benefits include parental earnings and taxation; higher children's earnings (and associated productivity and taxation) and decreased welfare usage over a lifetime; and reduced expenditure on special education, school repetition, health, welfare, and crime-related expenditure. Earlier analysis (PwC, 2014), projected economic benefits to the Australian economy (increases in GDP) in 2050 as follows:

- Benefits of children receiving high-quality early education: \$10.3 billion.
- Benefits of increased participation of vulnerable children: \$13.3 billion.
- Increased female workforce participation due to children attending ECEC: \$6 billion.

Less quantified, but potentially also important, is the impact early childhood education and care services have on job creation and building social capital. Over 200,000 people are employed in the ECEC sector; it provides secure, long-term professional employment with opportunities for upskilling and career development. Early childhood services are an

essential part of community infrastructure—particularly in rural, regional and remote areas—building connections between parents, employers, community leaders and service sectors. Further research on the community-level impacts of early education and care would be worthwhile.

The gains of a universal, affordable early childhood education and care system are amplified when coupled with structures such as paid parental leave that support women's participation in the workforce and ensure economic security for households.

Understanding the impact of ECEC

Australia has an opportunity to develop a monitoring and evaluation framework for early childhood education and care that goes beyond measuring 'what happened' and 'how much' to answering the questions: 'What is this system capable of delivering for children?' and 'What value is derived from diverse groups' participation in early childhood programs?' Planning to collect and leverage data will be an important development to accompany the government's reforms.

Issues and participants

The primary issues relate to children's unequal access to quality early childhood education and care, affecting their learning, development, and wellbeing. Families, particularly those from disadvantaged backgrounds, also face systemic issues due to an ineffective funding system and high costs, limiting their workforce participation and access to support.

Participants in the early childhood education ecosystem include children from birth to age twelve, their parents and caregivers, the ECEC workforce, and broader communities. Each participant group presents unique needs and plays a critical role in shaping the ECEC landscape.

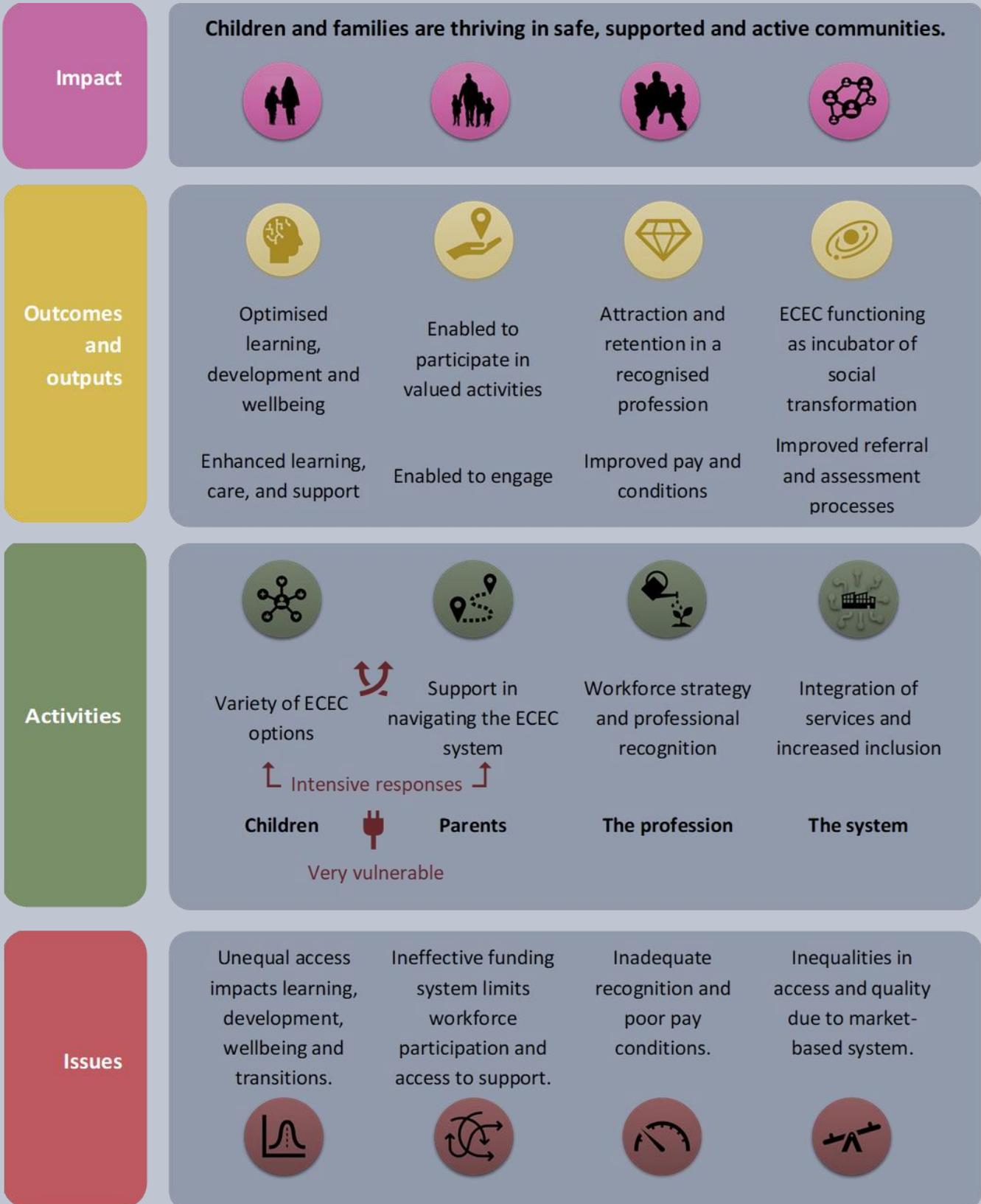
Activities and outputs



Early childhood services include various care options like long day care, family day care, in-home care, outside school hours care and preschool. These activities produce valuable outputs including enhanced care and support for children and families, increased community involvement, and improved conditions for the early childhood workforce.

Outcomes and impacts

The ultimate outcomes of a comprehensive early childhood education and care system include children's optimised learning, development and wellbeing, families participating in valued activities, and resilient and engaged communities. The long-term impact of this leads to children and families thriving in communities where they are safe, supported, and actively participating.



The reasons for participating in early learning services are varied. For a slice of the population this is choice-driven, while for others it is driven by a delicate balance of circumstances and the need to configure services relative to competing needs. This balance is amplified for families experiencing disadvantage and vulnerability. Early childhood services not only meet different needs, they deliver different outcomes (many aligned to policy priorities)—these need to be articulated and considered to be able to measure the impact of a truly responsive system.

When redesigning the system, data must be considered within the system infrastructure so that critical measures can be monitored, evaluated and communicated. There is an opportunity to develop a framework to comprehensively collect process indicator data (wait times, attendance times and patterns of utilisation) to align them with impact indicators (responsiveness, workforce participation, child development, wellbeing and learning). This could lay the foundations for further research into the impact of early childhood services in an Australian context (including components such as cumulative hours of attendance, participation benefits and service quality). Mapping and utilising currently available data (and release schedules) could pose and answer key questions about the current system, for example:

- typical hours of use (sign-in/sign-out)
- fees and gap-fees paid
- time spent on waiting lists
- age of child when CCS was first applied for
- profile of Additional Child Care Subsidy usage (Grandparent, Temporary Financial Hardship, Wellbeing, the number of children with a Foster Care Health Care Card in receipt of Additional Child Care Subsidy)
- usage patterns for Health Care Card holders.

When considering outcomes for children, it is important that monitoring and evaluation

frameworks encompasses outcomes aligned with the values and pedagogical practices of early childhood (aligned to the approved learning frameworks and quality standards). There is a risk that adopting normative based testing with a narrow focus on ‘developmental outcomes’ will impact on learning design and take away from individualised curriculum planning and implementation. While having some key milestones along a development trajectory may be helpful, it is also important to recognise diversity and allow for a broad range of development. Observation-based pedagogical documentation combined with developmental screening as required offers greater alignment with the *Early Years Learning Framework (V2.0)*. ECA anticipates that the work being progressed through the National Preschool Reform Agreement to measure preschool outcomes will progress this conversation considerably; however, without access to what is being proposed the sector can only speculate about its focus.



Recommendations

ECA Recommendation 4: Community education campaign on the importance of early childhood education and care, and the associated benefits for children, families and communities more broadly.

ECA Recommendation 5: Expanding the role of educators to support parents and enhance home learning environments (e.g. encouraging more engagement in play and supporting language development through song, rhyme and reading).

ECA Recommendation 6: Further research to quantify the community impact of early childhood education and care.

ECA Recommendation 7: Develop a monitoring and evaluation framework that encompasses the diverse outcomes of early childhood services and intersecting policy priorities.

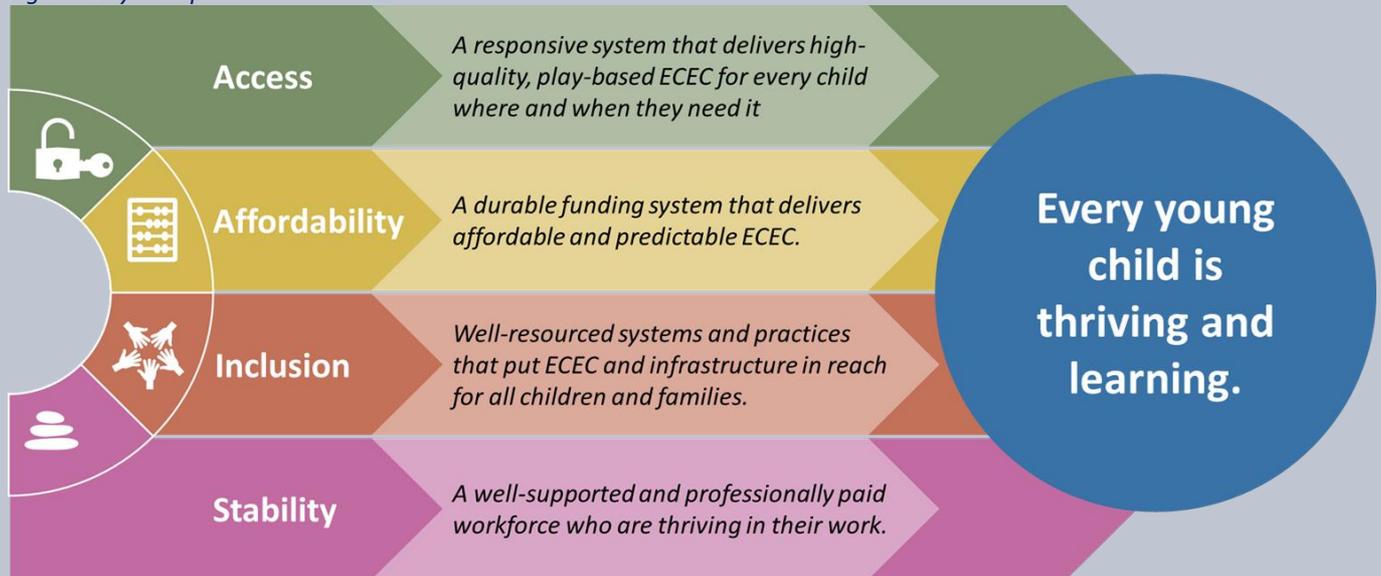
ECA Recommendation 8: Prototype a measurement framework and test the adequacy of currently collected data to assess the health of the system against priority criteria (a precondition for generating Australian evidence).

ECA Recommendation 9: Ensure that measurement and evaluation is grounded in early childhood values and sound pedagogical practices.

Building a Universal Approach

ECA believes that Australia’s early childhood education system should place children at the centre and realise the aspiration of every young child thriving and learning. To achieve this, we need to reimagine a fairer early childhood system for young children that is built on firm foundations. We have identified four pillars that are essential to this—access, affordability, inclusion and stability (see Figure 5).

Figure 5: System pillars



Pillar 1: Access

A responsive system that delivers services, programs and infrastructure—including high-quality play-based ECEC—for every child where and when they need it.

This should include a national stewardship system to ensure availability of services that meet the needs of families and communities across Australia and facilitate the use of quality data and funding to support local decision-makers and stakeholders to plan and configure appropriately targeted and relevant services, with an overarching focus on enhancing child and family wellbeing. Additionally, it should support parenting by committing to strengthen Australia’s Paid Parental Leave (PPL) system.

Pillar 2: Affordability

A durable funding system that delivers affordable and predictable services.

This should include immediate-term reforms to CCS (including amendments to the activity test) through to durable long-term reforms including introducing a universal and simplified subsidy system. Affordability measures should also consider alternative models of funding where there are thin markets and equity loading to support children, families and communities who are experiencing disadvantage.

Pillar 3: Inclusion

Well-resourced systems and practices that put ECEC services and community infrastructure in reach for all children and families.

This should embed outcomes that focus on ensuring that the environments in which children participate are professionally equipped, resourced and ready to include all children and families. Particularly children with disabilities or developmental concerns, and families experiencing vulnerability.



Pillar 4: Stability

A well-supported and professionally paid workforce who are thriving in their work.

Quality practice occurs in the context of relationships between children and educators; therefore, workforce stability is essential. Only when the early childhood education and care workforce is supported and well-resourced can it deliver long-term benefits to children, families and society. Improving workforce stability is critical to ensure that the government can deliver on its commitments to children and families.

These pillars are further articulated in the sections that follow.

Pillar 1: Access

Simplicity

A reimaged universal early childhood education and care system would be easy for families to understand and navigate. During the COVID-19 pandemic when early childhood education and care was temporarily free for families to access, which also meant not having to apply for Child Care Subsidy (CCS), providers reported new interest from families who had not previously enrolled children in early childhood programs. It was widely agreed that the complexity of the subsidy, confusion over eligibility and uncertainty about out-of-pocket costs are barriers to some families who would be more likely to access services if the pathway and costs were simplified.

The approach in Quebec, Canada to structure funding so that out-of-pocket costs are capped or averaged (\$10 per day) has had a substantially positive impact on both access for children and workforce participation for families—particularly women (see for example Cleveland, 2022). This approach allows families to make decisions about enrolments and workforce engagement with certainty. By comparison, the CCS household income test and variable subsidy rate makes it difficult for families to accurately estimate their entitlements when their circumstances change or when they are ‘scenario testing’—if one parent increases their work hours, how will that impact on their out-of-pocket costs? If they receive a promotion or a bonus payment will that tip them into a higher income bracket and reduce the rate of subsidy they receive?

The pathway into early childhood education and care could also be simplified through closer alignment with government-funded Paid Parental Leave (PPL) with targeted communication to families accessing the scheme.

ECA acknowledge that families value choice and seek to select a service based on the ‘fit’ with their circumstances (location, commute, affordability) and the individual needs of their child or children (learning environment, group size, child temperament and service philosophy). We also acknowledge that service providers take many factors into consideration when enrolling children into specific rooms or learning groups, such as age, developmental stage, temperament, group size, stability of attendance and relationships with educators. Taking both of those perspectives into account, there may be some ‘system level’ benefits to be realised through coordinated, technology-based mechanisms for monitoring demand and utilisation across services within a geographic region. Instead of being on multiple waiting lists, families could potentially register online or via an app to receive notifications about vacancies that suit their needs and/or be matched with services that meet their criteria. This would quantify unmet or changing demand at the local area level, helping to inform decision-making about new or expanded service provision.

Availability

There also needs to be a national system of demand mapping and informed planning to ensure that early childhood services—across the spectrum of preschool/kindergarten, long day care, family day care and outside school hours care—are available to families across Australia, when and where they need them.

Access to early learning is unequal in Australia. The Mitchell Institute’s *Deserts and Oases* report (Hurley et al., 2022) reveals that over a third of Australia’s children live in ‘childcare deserts’ (568,700 children aged birth to four years, or 36.5%)—nine million

Australians in total. ‘Childcare deserts’ are areas where there are more than three children for every ECEC centre-based place. While they are most likely to occur in regional and remote areas, ‘childcare deserts’ are in every part of Australia.

Lack of access to services means that families, particularly women, are often wedged between the dual imperatives of workforce participation and care responsibilities. It is important that we don’t mistake current options or utilisation of early childhood education and care for choice.

Not being able to access and analyse utilisation across jurisdictions is a significant barrier to supporting planning for access.

An entitlement approach

Historically the entitlement to access most early childhood education and care options in Australia has sat with parents and families through funding subsidies subject to criteria based on their workforce participation and household income. ECA joins with the Centre for Policy Development (CPD) and other early childhood advocates in broadening this entitlement to include children through *Starting Better—A Guarantee for Young Children and Families* (CPD, 2021), a new pillar of Australia’s social deal that entitles every child in Australia and their family to:

- three days free or low-cost quality early education from birth until school, with more days available at minimal cost. This begins as soon as families need it. This means all children will experience the lifelong benefits of quality early education
- more paid parental leave, shared between partners. This will give babies time with their parents in the crucial first year of life, and it will give families the confidence to balance work and home more easily and equally

- support for children and parents from within their community, including up to 25 visits from maternal and child health nurses.

All three elements of the guarantee are important but the entitlement to low-cost, high-quality early education is of most relevance to this inquiry. Many families will need more than three days and that should be available to them, but the three-day entitlement would ensure that no child misses out because of the workforce or economic status of their parents or caregivers.

We will further explore the implications of an entitlement approach to funding models in the next section of this submission.

System stewardship

To simplify access, we need a funding model that requires collaboration and formal partnerships between the federal government, state and territory governments and local governments with clearly defined roles to ensure that funding, planning and implementation are progressed in context and aligned to a vision for high-quality early childhood education and care. This should include high expectations for quality, sophisticated understandings of needs and priorities (national, jurisdictional, local and cohort-specific), flexibility to design responses relative to priority needs, and clear understandings of how success will be measured.

Following from this we can develop accountability frameworks through which models of delivery are resourced, delivered and evaluated, with a focus on embedding strong accountability for outcomes for children and families above the current approach to compliance with regulations.

There is an interdependent relationship between state and federal governments for the delivery of high-quality early childhood education and care, regulating services for quality and safety, addressing

workforce issues, monitoring/addressing market failures, and delivering preschool under the National Reform Agreement.

Figure 6 sets out shared roles in relation to:

- funding/co-funding services
- collecting and sharing data (to support planning and the allocation of resources, and to measure success)

- developing accountability frameworks and levers to ensure services are delivered within agreed fidelity parameters, and deliver outcomes.

In addition, state and territory governments invest in and deliver preschool/kindergarten, transition to school and family support engagement through programs such as ‘Families as First Teachers’ (NT) and ‘KindyLinQ’ (Qld).

Figure 6: The current system

Education Ministers— Federal & State/Territory	Federal Government	State/Territory Government	Local Government
<p>National Quality Framework, including:</p> <ul style="list-style-type: none"> • National Quality Standard • Rating and Assessment Process • Approved Learning Frameworks 	<p>Support families with the cost of early childhood education through the Child Care Subsidy (Family Assistance Act) and the CCS Management System supported by the Department of Human Services (DHS).</p> <p>Approves providers eligible to receive CCS and monitors system integrity.</p> <p>Implement the <i>National Quality Framework</i> through ACECQA (National Regulator).</p> <p>Address gaps by funding early childhood services directly through the Child Care Community Fund.</p>	<p>Contribute funding to ACECQA but also fund state/territory regulatory bodies that undertake Rating and Assessment as well as general monitoring and support.</p> <p>School, transport and infrastructure planning and delivery (currently not closely linked to ECEC decision-making).</p>	<p>Sometimes deliver early childhood services or owns premises from which they are delivered.</p> <p>Land-use zoning and building approvals, regulations relating to buildings and business operations.</p> <p>Transport and infrastructure planning and delivery which impacts on patterns of demand (currently not being linked to ECEC decision-making)</p>
<p>National Partnership Agreement on Universal Preschool</p>	<p>Provides funding to state/territory governments to top up preschool funding under the National Partnership Agreement.</p>	<p>Funds the delivery of preschool programs with some support from the federal government – some states/territories deliver preschool</p>	

	Preschool Outcomes Measurement—work in progress.	primarily through school education, others through the community kindergarten/preschool and the long day care sector.	
National Workforce Strategy	Strategy Coordination (ACECQA) Australian Teaching Standards—AITSL Funding initiatives – TAFE/HECS	Implementing national initiatives. State/territory workforce strategies Teacher registration	Understanding of local workforce trends and challenges (currently not closely linked to ECEC decision-making)
Programs	‘Inclusion Support Program’ (CCS services) ‘In-Home Care Program’ Community Child Care Fund (CCCF)—capital	Inclusion support for preschools Capital grant initiatives	Build and maintain infrastructure – playgrounds, parks

Local area planning

One of the biggest frustrations from parents is the lack of availability of early childhood education and care, particularly a lack of available places for infants. This issue was identified in the Mitchell Institute report, *Deserts and Oases* (Hurley et al., 2021):

About nine million Australians, 35% of the population, live in neighbourhoods we classify as a childcare desert. A childcare desert is a populated area where there are more than three children per childcare place, or less than 0.333 places per child aged four or under (p. 4).

Lack of access is particularly exacerbated in regional areas and communities with low socioeconomic metrics.

There are a number of factors contributing to this. Firstly, there has been no coordinated approach to planning early childhood education and care. The approach of ‘leave it to the market’ has not worked. This is not a market in which supply can rapidly

change to match demand. Also, the drivers of market responses are not based on community needs.

Both oversupply and undersupply are significantly problematic. In areas of oversupply, services are competing for families but also for workforce—in the context of a national shortage of both early childhood teachers and educators, it makes little sense to run services at half capacity because the workforce is stretched across too many locations. In areas of undersupply, it takes several years to plan, approve, build and staff a new service—much too long in areas of exponential population growth.

Demand is also very localised – families are time-poor; they do not have time to travel out of their immediate residential area or against the traffic flow to take children to/from early childhood education and care. They need access to a service that is either close to home, close to work or on the way to/from. Just 2 km in the wrong direction can be unfeasible.

Multiple drop-offs can also be problematic, leading many to call for more co-location of early childhood services with schools. While co-location offers many benefits, the large size and scale of the early childhood sector could not be easily accommodated entirely within schools. Families also value flexibility and choice, particularly for very young children.

Currently, there is no way of informing potential providers of areas of undersupply—they must do their own research to identify areas of need. This is not always how decisions are made—often decisions to build a new service are based on land availability or demand in an existing service. There is the potential to build on the Mitchell Institute’s analysis to include data on the availability of preschool places and metrics associated with supply and demand pressures, such as waiting lists. This would potentially help inform future decision-making.

Another factor in the mismatch between demand and supply is that places for children under the age of three years are often limited and hard to access. The Child Care Subsidy rate is the same regardless of the age of the child, but child-to-educator ratios vary considerably across the age of children in centre-based care. The most common ratio in a long day care service for children under three years is 4:1, compared to a ratio of 10:1 or 11:1 for children over the age of three years. That makes a substantial difference to the cost and while some services charge a higher out-of-pocket cost for children under three, it doesn’t fully offset the additional cost of service delivery. This creates a financial imperative to limit the number of places available for children under three years, resulting in lengthy waiting lists and uncertainty for families.

To have maximum impact, it is essential that services are locally responsive and planned in the context of the community in which they will operate. Current processes do not adequately attend to local contexts and result in cases of over- and under-supply. While the federal, state and territory governments are well

placed to take on the funding and regulatory stewardship of the system, they have limited capacity to plan services in response to local priorities.

To address this, ECA recommends that a children’s services planning initiative is implemented. This would involve a biannual review of key population data, ECEC usage trends and other relevant information and data to determine the level of community need for ECEC services (pooled from federal, state and local sources). This data would then be interpreted by applying a local lens, in consultation with key interest groups, to develop a Local Area Children’s Services Plan that responds to local priorities. This would apply local knowledge to identify ideal locations for services—for example, spreading services out, locating services on commuting routes, avoiding locations that are difficult to access or locating near schools or other locally significant areas. This planning could be the role of local government or other bodies contracted to undertake the work, and an extension of this could be to involve the voice of Aboriginal and Torres Strait Islander communities as endorsing bodies to ensure that children’s services develop in ways that honour local ways of knowing, doing and being.

ECA also recommends that a mechanism to inform and influence decisions about the supply of early childhood services be developed. For example, introduce a ‘traffic light’ approach to planning, with green areas indicating new services are needed and could be eligible for capital grants or no/low interest loans to encourage new services and infrastructure developments. Orange might be used to indicate some new development would be welcome but it should be mindful of the current provider mix—demand may be limited to certain age groups or locations. Red would indicate there is already an oversupply and new providers should be aware that they will have to compete for families and staff. They would need a compelling reason to invest in new

infrastructure in this area. Figure 7 below provides an overview of this approach.

Figure 7: Informing planning

Designation	Assessment rationale	Government response
Green	Rapid population or employment growth, lots of new families with young children creating demand for ECEC across age groups—existing services are full with long waiting lists and new services are likely to fill quickly.	Support new services to be established through accelerated planning or provider approval. Federal and/or state government grants or no/low interest loans to assist with building premises; growing the workforce and mobilising responses.
Orange	Some unmet demand—may be specific to certain age groups, service types or employment patterns (e.g. shift work or seasonal variations) or that a majority of services are full and demand is likely to continue to grow.	New services would be eligible for support if targeting specific needs (e.g. age groups or outside school hours care). Federal, state or local government support may be available to expand existing capacity, address gaps or improve quality.
Red	Little or no likely changes to demand, existing services are not at full capacity, population or demographic growth is in older age cohorts, workforce changes are minimal.	Do not support new services unless to replace existing supply—investment limited to upgrading facilities for quality improvement or improving service coordination (e.g. integrated approaches in communities experiencing disadvantage).

Universal, not uniform

A universal system requires sophisticated policy integration to identify shared outcomes and mobilise appropriate inputs to support them and deliver ‘uncomplicated access’ for children and families—simplified eligibility (a guaranteed/child level entitlement). However, this does not mean that the system has to be uniform or that the same mix of services will work in every community. Service models can vary across different communities and education and care settings.

Quality

To realise the benefits of improved access to early childhood education and care, it is essential that services are high quality, ensuring that all children are included in rich learning experiences, responsive

to their interests and strengths. Teachers and educators need to have adequate initial training and ongoing professional learning to perform the work effectively. Learning environments need to be fit-for-purpose and adequately resourced. Regulatory frameworks need to provide clear expectations and hold providers accountable for the services delivered. Measures to ensure that the quality of early childhood education continues to improve are essential to deliver on the intention of a universal system.

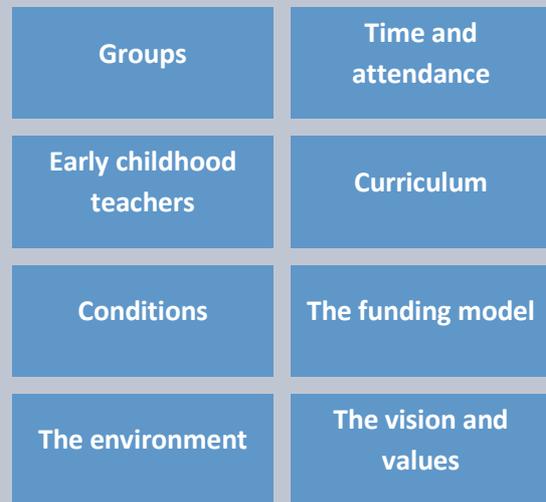
Australia’s *National Quality Framework* (NQF) provides a solid foundation for system redesign by articulating the standards, regulations and practices required to deliver quality, pedagogically sound early

childhood programs that are focused on outcomes and tailored to children, families and communities. However, there are a number of ECEC services currently operating outside of the NQF, including preschools in some jurisdictions and services in remote or complex environments (funded through the Community Child Care Fund). There are also broader systemic factors known to impact on quality such as workforce stability, service context and connections between programs that support transitions such as the transition to school.

ECA was recently engaged by the South Australian Royal Commission into Early Childhood Education and Care to explore factors impacting the quality and effectiveness of preschool education delivered to three-year-old children across different settings in Australia (ECA, 2023). The project involved interviews and feedback from 15 expert informants, which surfaced a range of factors that impact quality and challenges, including geography, community infrastructure, and the availability of qualified workforce, amongst others. Ensuring equitable access for all children, despite these challenges, is a core focus of planning for early childhood services. ECA explored ways of delivering preschool services that meet these access demands without compromising the core features of quality.

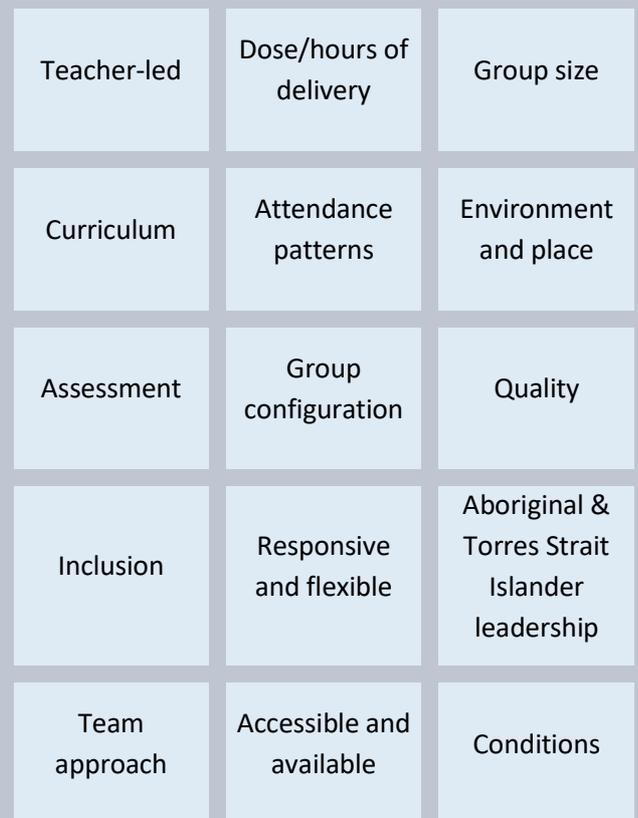
This consultation has surfaced a range of important factors for delivering quality for children and addressing access barriers, including context, relationships, qualifications, an early years curriculum, environments, groups, attendance, conditions and funding, along with the vision and values that underpin early childhood education and care practice.

Figure 8: Factors that matter for quality preschool



Exploring areas of convergence and controversy, listed below, provided opportunities to consider configurations of quality provision and how they apply to different settings.

Figure 9: Convergence and controversies: Factors supporting quality preschool



The findings of this consultation, published in *Issues Paper: Expert Perspectives on Factors that Support*

Quality Preschool Delivery Across Settings (ECA, 2023), showed consensus that while ‘something’ is better than ‘nothing’, every child should be provided access to high-quality preschool experiences. Where barriers exist, innovative approaches to configuration of preschool services are deemed necessary, with examples ranging from providing remote access to a qualified teacher, to using community spaces for program delivery. The policy environment must support these innovative models while maintaining a strong emphasis on quality.

Challenges are also identified in the expansion of preschool services to three-year-olds, including potential workforce and accessibility issues. Concerns around the risk of reducing the minimum standard of preschool education were noted, and emphasis was placed on avoiding differentiation in access to preschool for different cohorts. A strong need for high expectations and accountability was voiced, especially given the anticipated public investment in preschool delivery.

The *Issues Paper* calls for a shift in perspective, framing exceptions coupled with high expectations for children and quality as opportunities for innovation. It promotes the importance of maintaining the standard of quality in preschool education, even when adaptations are needed for accessibility. The exploration of alternative delivery models offers valuable insights for future early childhood education and care planning, particularly in the quest for equity.

The findings highlight the necessity of critical considerations while expanding services to younger age groups and ensuring that marginalised groups are not further excluded. This work emphasises the importance of recognising preschool as a specialist program within the early childhood education and care system, not an extension of compulsory schooling, as well as the need for quality preschool experiences across various settings. The following provocations were proposed to prompt this thinking:

- Embrace exceptional solutions for communities facing barriers.
- Redefine preschool beyond physical buildings.
- Commit to assembling quality components, whatever it takes.
- Share the responsibility of supporting access for three-year-olds.
- Envision a thriving universal preschool system and assess progress.

Ultimately, it underscores the need for high expectations, accountability, and clear measures of success in delivering on the promise of universal preschool for all children, providing valuable implications for policymakers, practitioners, and stakeholders involved in early childhood education and care planning.

Connected, integrated and coordinated

A key feature of a child and family focused system is its ability to respond in a coordinated, collaborative, and integrated way. Early childhood services have the potential to be places in a community through which services and resources can be mobilised. This includes embedding specialist supports such as allied health and family support services. There is a significant opportunity presented through the development of the ‘Early Years Strategy’ to position early childhood education and care services at the centre of community support for families and as the beginning of children’s education journey.

This approach relies on good access to data coupled with structures that enable local priorities, strengths and contextual knowledge to inform resource allocation. In addition, service coordination and integration depend on strong leadership and a shared local vision that authorises action. Responses in each community will be necessarily different and will require frameworks that support service-level asset mapping to identify services with strong community engagement; and need/capability



assessment to identify areas for service-level capability building and development.

This should include funding mechanisms that support integrated and coordinated service delivery that is targeted to children’s outcomes—additionally, this would support approaches that mobilise around place and needs of specific cohorts.



Recommendations

ECA Recommendation 10: National stewardship system to ensure availability of services that meet the needs of families and communities across Australia.

ECA Recommendation 11: Ensure continued investment in and connection between ECEC and Paid Parental Leave policies to provide families with more choice and control about balancing care and work.

ECA Recommendation 12: Adopt a minimum entitlement to three days of quality early childhood education and care – aligned to the three-day guarantee proposed by the Centre for Policy Development in *Starting Better* (2021).

ECA Recommendation 13: Extend the Preschool Reform Funding Agreement to provide quality preschool programs to all three- and four-year-old children (for two years) prior to commencing compulsory school, and increase provision in the year before school from 15 hours a week to 30 hours a week for children at risk of educational disadvantage.

ECA Recommendation 14: The future early childhood education and care system is built on an entitlement for children to have access to at least three days per week of quality early childhood education and care.

Pillar 2: Affordability

Short term changes

The government’s commitment to lifting the maximum rate of Child Care Subsidy (CCS) to 90% of the hourly fee cap for families earning up to \$80,000 will improve equitable access to early childhood education and care. However, the families that are most in need of improved affordability will miss out on these benefits because they don’t have access to enough hours of subsidy due to the current design of the activity test. Credible independent and government-commissioned evaluations and sector analysis have shown that the structural design of the activity test for low-income families prevents these families from accessing enough affordable early learning and care to support child development or promote workforce participation (outlined in the subsequent pages).

An increase in the rate of the CCS without a complementary measure to increase the number of **Two days per week (under \$80,000)**

hours available to families with low incomes and less than 16 hours of work, study or training will exacerbate existing inequity and widen attainment gaps for children in families with low incomes and insecure work. It will also tangibly increase financial disincentives and out-of-pocket costs and barriers to work, study and training for parents of young children at a time when the government is trying to increase productivity as part of the skills shortage across the economy.

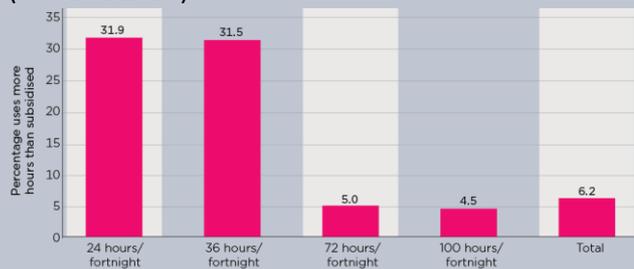
The charts below demonstrate the current inequity built into the system by comparing the gap fee for families accessing CCS for 24 hours per fortnight (CCS24), CCS for 36 hours per fortnight (CCS36) and CCS for 72 hours per fortnight (CCS72) over two days per week and three days per week attendance patterns over a fortnight.



Three days per week (under \$80,000)



(For more detail see Attachment 1). The benefits of an increased subsidy will only be realised if combined with an equity measure to ensure we do not exacerbate disadvantage and continue to lock out the families with tenuous or unstable work. The activity test has always been back-to-front—families often need to have children settled in early learning services before they can pursue work opportunities, not the other way around. Making workforce participation a prerequisite for subsidy makes it harder for those already doing it tough. The chart below shows the proportion of children using more ECEC than is covered by the activity test, the highest being for families eligible for 24 and 36 hours (October 2019):



(AIFS, 2023).

ECA has developed an Equity Measure Proposal to amend the Activity Test (Attachment 1). Additionally, Impact Economics’ 2023 report, *Child Care Subsidy Activity Test: Incentive or Barrier to Labour Force Participation?* (Jackson et al., 2023), presents analysis indicating that the activity test hinders women’s return to the workforce. Modelling suggests that eliminating the Activity Test could boost labor force participation by approximately 39,620 mothers with children aged under five years, potentially contributing an additional \$4.5 billion to the Gross Domestic Product (GDP) (Jackson et al., 2023).

Features of a functioning universal system

The following sets out some of the core features that should be embedded in a functioning universal system. These features seek to progress a vision for a redesigned early childhood education and care

system and to ensure that limitations in the current systems are not replicated.

Simplified access and eligibility through a universal entitlement

Under the current arrangements, families are assessed to determine the number of subsidised hours they are eligible for (up to 50 hours per week based on activity) and the percentage of Child Care Subsidy (CCS) that will be applied to those hours (on their family income). The CCS hourly rate is capped (\$12.74 for centre-based day care) at a rate that is generally lower than the hourly rate charged in fees. Long day care programs commonly offer 11- or 12-hour daily session (55–60 hours per week) and charge for a full day (or session in some circumstances). This results in a gap fee paid by parents which is calculated on the difference between the hourly rate charged by the provider and the family percentage of the CCS applied to the subsidy cap hourly rate for the hours used (or up to allocated hours of subsidy).

Total fee (3 days = (12 x hourly rate x 3))	—	Total subsidy ((%CCS x Subsidy Cap) x hours of subsidy)	=	Gap fee
---	---	---	---	----------------

Adopting an entitlement approach to providing three days of free or low-cost quality early childhood education and care from birth until the transition to school provides the opportunity to significantly simplify the way that families access the system, while progressing the dual purpose of early childhood education and care in supporting both children’s development and parents’ workforce participation.

This also has significant potential to simplify the way that the system is administered by creating a ‘fee-free threshold’ and removing a proportion of families from the process of eligibility assessment.

To be effective, practical mechanisms must be developed that address the complexity of the current

system and enable families to access and utilise their entitlement of three days.

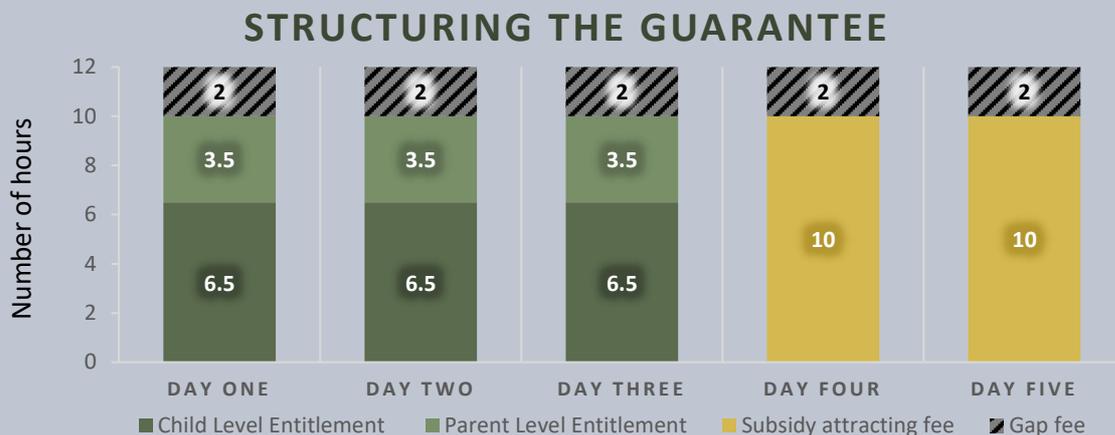
An entitlement of three days (up to 30 hours) must be able to be accessed as three days without incurring charges from residual hours that are not utilised.

Child-level and parent-level entitlement

In addition, ECA propose that the entitlement of three days (19–30 hours) should comprise a child-level entitlement and a parent-level entitlement. That is, a proportion of time is fully funded as a child-level entitlement to support children’s learning, development and wellbeing; then a parent entitlement is added to top up the child-level entitlement to support their workforce or other forms of participation.

The intention of this framing is to demonstrate the dual purpose of high-quality ECEC and to enable flexible access across the service system. While all families would be eligible for the three days, some families may wish to access shorter sessions of early childhood education and care, while others will access the longer day. ECA are proposing that the entitlement would cover the first three days of ECEC whether it is a short or long sessions.

Fees and subsidies could be applied to enrolment and attendance beyond the three-day entitlement based on eligibility—for example, for working families or for families who are vulnerable. This is depicted below.



Introducing a universal three-day entitlement will ensure that children, regardless of their background, start their education and care journey on an even footing with their peers, by removing cost as a significant barrier. This will also provide stability and consistency, enabling children to develop relationships with educators and peers and to engage in rich learning experiences.

A system that delivers a universal entitlement carves the way for a future in which participation in early childhood education and care is normalised and valued, similar to the way that the National Partnership and subsequent National Preschool Reform Agreement have normalised preschool participation.

Fixed cost for families

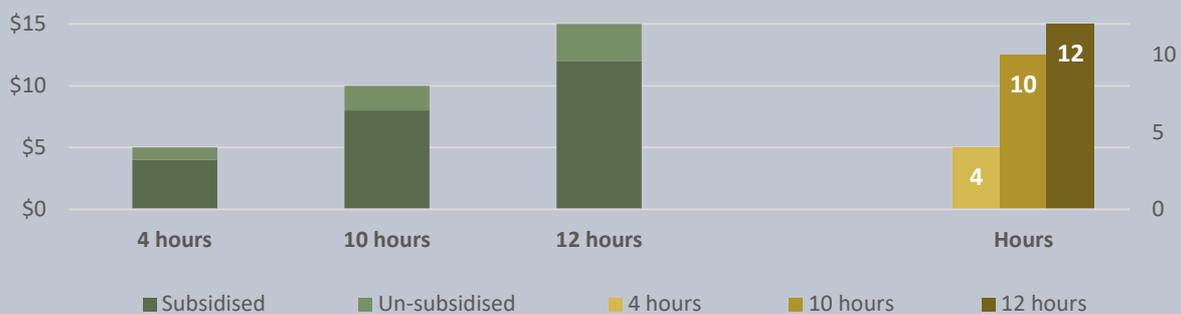
Another approach to simplifying access to early childhood is to adopt a fixed daily cost—for example, Canada’s implementation of a universal ‘\$10-a-day child care’.

This model offers significant simplicity and predictability for families and is built on federal agreements with provinces. Licenced providers who

meet the criteria are subsidised through operating grants. The parent contribution is \$10 for up to 10 hours (lower for shorter sessions) with an additional parent fee for extra hours accessed.

Operating grants paid to providers require them to meet the fee guidelines and are tied to other criteria such as minimum spending on wages and capping spending on operating costs.

CAPPED PER SESSION



For children to benefit from high-quality early childhood education and care, services need to be delivered in ways that remove barriers and are practical to access. Flexibility is an important element of the entitlement approach that will need to be embedded to ensure that families are able to access services in the structure that best meets the needs of both the child and the family.

Alignment of governance arrangements

The National Partnership and Reform Agreement for preschools has resulted in significant reform, investment and cooperation in the provision of quality preschool for four-year-old children. While this provides a solid foundation for future reforms, challenges exist in the interface between services that are traditionally funded by state and territory governments and federally funded services, in terms of balancing the goals of supporting children’s learning and development and workforce participation.

Over the past five years, the proportion of families accessing preschool programs within ‘centre-based day care’ and across ‘multiple services’ is increasing, while participation in a preschool program in a government or non-government preschool service is decreasing. The most consistent area of growth is in the proportion of families accessing preschool programs across ‘multiple services’. Families are increasingly taking up services that meet both their children’s developmental needs and that enable them to participate in the workforce—an indication that families are facing greater pressure when balancing work and care.

While reforms have enabled long day care settings to offer preschool programs, some preschool programs have experienced limitations in their capacity to evolve their programs to offer extended days. Cross-jurisdictional partnerships with state and territory governments and preschool providers could provide critical support for progressing the outcomes of workforce participation and children’s learning and

development through flexible responses. Examining the regulatory barriers that are limiting the capacity of the system and unlocking them will be critical – particularly given the increased attention being paid to providing three-year-old preschool across jurisdictions. Adherence to the NQF and associated standards will be key to ensuring quality delivery as well as providing a robust guide for considering adapted models of delivery. The regulatory environment needs to support flexible responses that blend traditionally separate models of ECEC to adequately meet contemporary demands of family and community life.

A similar issue is impacting working families whose children attend primary schools, which is demonstrating a need to increase the capacity to deliver OSHC. In many communities, schools have the infrastructure available but are reluctant to provide OSHC because of the additional regulatory requirements. Harmonising or bridging regulatory requirements between schools and OSHC providers could create the conditions in which more schools would be willing to deliver OSHC.

Funding model

To deliver a universal offer (with representative uptake) the funding model needs to build-in a high tolerance for different models for different purposes and outcomes (aligned but with differing priorities), including:

- ensuring supply of quality ECEC
- embedding accountability for outcomes (over compliance) based on values and long-term goals
- addressing inequity
- delivering high-quality ECEC services that enable children, families and communities to thrive.

It is likely that a mixed model of funding will be a feature of the system going forward—incorporating both state/territory and federal funding. Smoothing

the complexity of multiple funding sources and service structures is a critical step in moving towards a universal offer. The CPD guarantee for children outlined in *Starting Better* (2021) provides a robust structure that supports planned access for children and families when and where they need it. The system response, delivered through high-quality ECEC, needs to be able to dial up supports that focus on child and family wellbeing and inclusion.

The funding model also needs to ensure that teacher and educator wages and conditions can be improved and protected (alongside a range of workforce strategies) to support the quality provision that a professional workforce delivers.

We will likely require models that are:

- targeted to respond to community- or cohort-level risk factors (barriers and vulnerability)
- integrated, connected and coordinated responses ('stacking', physically and virtually integrated service models, commissioning interventions)
- multi-purpose, place-based responses that deliver what communities need in the way they need it:
 - plan for and resource parental participation
 - outreach and in-community provision
 - locally, culturally and community-led program design and delivery.

A movement to a high public investment in ECEC (either through a 90% universal subsidy or a guarantee) changes the relationship between government and providers. A higher investment in ECEC, covering a larger proportion of fees, also alters the operational risk profile of operating ECEC services. By retaining a higher share of risk in ensuring ECEC provision, by funding a 90% universal offer, it is reasonable that the capacity for high

returns through profit in the market should be constrained and mechanisms for oversight introduced to ensure that the promise of quality and equity are being delivered.

This will rely on differentiated funding models aligned with the equity goals associated with public investment in early childhood education and care – and necessarily differentiated partnerships with providers. Leseman, in a paper prepared for Goodstart Early Learning in 2021, explores the place for hybrid markets in addressing social goals, arguing that governments should be discerning in their partnerships and investment of public funds into early childhood provision. Leseman notes the importance of governments being explicit when articulating their goals for early childhood and how they will evaluate the willingness and ability of potential partners to deliver on these goals and evaluate their success:

... if you want to govern social services such as ECEC and education according to a social market approach for the common good, be selective with whom you will collaborate, ensure that you have the knowledge to evaluate the tenders and performance of organizations, be aware of the real costs of services in relation to the complexity of the problems at stake, prevent niche-picking and put a reasonable cap on profits (p. 10).

Leseman described the example of mixed funding models as supporting explicit goals – for example, voucher systems in operation where commercially viable and direct subsidies for services that are working to engage disadvantaged groups into the system— noting the skill, experience and quality that is required to underpin this work.

Assessing the load

ECA also examined the ‘load’ each participant carries in relation to navigating and accessing the early

childhood system. Children, particularly those with disabilities or from disadvantaged backgrounds, may carry a substantial load due to the complexities of the system. Government, as funders and regulators, are responsible for ensuring the quality and accessibility of early childhood education and care services, while also carrying the load of system risks.

Figure 10 highlights the areas in which government could take a more active role and could intervene to ensure that services were being delivered in line with its intention. Figure 11, however, shows that neither funding nor controls relating to quality and service delivery matter if there is significant undersupply or for children with disabilities where inclusion is the goal. This reinforces the need for diverse funding models that tackle the most significant demands for different cohorts and communities.

Figure 11 maps out a snapshot of some of the varying funding models alongside controls and accountability, followed by an assessment of where the load sits in navigating or administering the system.

Figure 10: Governance

Model	Fee Structure	Govt. Control	Accountability Mechanisms	Risks
Direct Public Provision	Free or subsidised, funded by taxes	High over cost, supply, planning and quality	Government oversight and public reporting	Potential for inefficiencies due to lack of competition, services may not be responsive to local needs
Contracted service delivery	Co-payment/Fee-free	Moderate; government sets quality standards and may have input on supply and planning	Contractual obligations, audits, evaluations	Alignment of contracted parties' objectives, risk of reduced quality due to profit motives
Demand-side subsidies (vouchers or tax credits)	Families pay fees to provider, offset by the subsidy. Fees above subsidy are out-of-pocket costs for the family	Lower; government regulates quality standards	Quality assurance systems, inspections, regulation of providers	Families may struggle to understand the system, potential risk of insufficient supply in certain areas
Supply-side funding	Government may cover all or part of costs, with the remainder charged as fees to families	Moderate; government can regulate quality and may influence supply and planning through funding decisions	Contractual obligations, regulation of providers, inspections, audits	Providers may focus on government requirements rather than local needs, risk of insufficient supply in less profitable areas
Entitlement (child/parent level)	Guarantee three days of high-quality ECEC (low or no cost) Subsidy-attracting fee on additional hours	Moderate to high	Quality assurance systems, regulation of providers Risk reduction agreement	Limited demand Risk of insufficient supply in certain areas
Capped fee per day	Parents pay a nominal fee per day of use	Moderate to high	Quality assurance systems, regulation of providers	Relies on a good understanding of the cost to provide quality Scale and equity across services



Figure 11: Distribution of load/effort

	Direct Public Provision	Contracted service delivery	Demand-side subsidies	Supply-side funding	Entitlement approach	Capped fee per day
Burden on family	Low Simplified system Reduced choice	Moderate Increased complexity Increased choice	High High complexity and higher costs Greater choice	Moderate Moderate complexity Some choice	Moderate to low System navigation needed Moderate choice	Moderate to low System navigation needed Moderate choice
Burden on child	Low Stability Potentially less responsive/ standardised	Moderate Possibly less stable Potentially more responsive	High Potential for highly responsive care Possible instability and variability	Moderate to low Balance of stability and responsiveness	Moderate to low Stability (potential for demand) Potentially highly responsive	Moderate to low Stability (potential for demand) Potentially highly responsive
Burden on government (as funders)	High Full funding and delivery responsibility	Moderate Shared funding and planning	Low Limited control over costs Potential for high expenditure	High Funding, planning and administering responsibilities, Potential for cost control	High Funding of entitlements Active role in the market	High Funding of capped fee Regulatory and compliance role
Burden on government (as providers)	High Full responsibility for provision and quality	Moderate Shared delivery responsibility Quality oversight	Low Regulation of quality standards Limited control over provision	Moderate regulation of quality standards Control through funding and planning decisions	Moderate to low Small footprint	Moderate to low Small footprint
Burden on vulnerable groups load	Low to moderate Potential for greater access Usually high demand/ competition.	High Potential for targeted services Access depends on contract delivery	High Access depends on ability to navigate the system and availability	Moderate Potential for targeted services and control over supply Relies on funding and regulation mechanisms	Low Could build in targeted and responsive services (loadings) with the right supports and safeguards	Moderate Groups sensitive to cost may be deterred by cost—additional subsidies would need to be well communicated



	Direct Public Provision	Contracted service delivery	Demand-side subsidies	Supply-side funding	Entitlement approach	Capped fee per day
Burden on families with a child with a disability	Moderate Could improve access to services Doesn't guarantee inclusivity	Moderate Possibly less stable Potentially more responsive	High Potential for highly responsive care Possible instability and variability	Moderate Opportunities for targeted funding	Moderate Could ensure access to services Doesn't guarantee inclusivity	Moderate Could improve affordability and access
Burden on low income households	Low to moderate Potential for greater access High demand	Moderate to high Potential for geographically targeted programs	High Access depends on ability to navigate the system and availability	Moderate Potential for targeted services and control over supply Relies on funding and regulation mechanisms	Low Could build in targeted and responsive services (loadings) with the right supports and safeguards	Moderate Groups sensitive to cost may be deterred by cost – additional subsidies would need to be well communicated
Remote or very remote areas	High Depends on ability to provide service	High Depend on ability to provide services in remote communities	High Availability dependent	Moderate to high Can target funding to services in remote communities Depending on availability	Moderate to high Could ensure access in remote communities—needs to be met with supply	Moderated to high Could improve affordability but access and availability of services challenging



Recommendations

ECA Recommendation 15: ECA recommend the immediate removal of the Activity Test to enable at least three days of subsidised care per week.

ECA Recommendation 16: Create a funding system to deliver an entitlement of three days per week for every family.

ECA Recommendation 17: Develop and adopt a new funding model for remote and complex environments including a new model for Aboriginal and Torres Strait Islander community-controlled early childhood services—led by SNAICC.

ECA Recommendation 18: Amend the Activity Test on the Child Care Subsidy to increase the minimum hours that children can attend from 12 hours/week to 36 hours/week (see Appendix 1) at the same time as Child Care Subsidy increases come into effect (July 2023).



Pillar 3: Inclusion

Inclusion is a basic human right, an ethical obligation and a legislative requirement. The conditions of inclusion are met when the strengths of every child and young person in a learning community are recognised, encouraged and fostered. In the context of early childhood, the guiding principle that underpins equity, inclusion and diversity in the NQF 'recognises all children's capacity and right to succeed regardless of diverse circumstances, cultural background and abilities' (ACECQA, 2020, p. 10). Inclusion is about how to ensure that each child or young person in education and care settings develops a sense of belonging to the group and has equitable access to opportunities and resources, while diversity includes the differing cultural and social backgrounds of children and young people and their unique strengths, abilities, preferences and needs.

The rights of children with developmental delay or disability are set out in the *Disability Discrimination Act (1992)*, the *Disability Standards for Education 2005* and the *Education and Care Services National Regulations 2011*. In a national resource that supports the *Disability Standards for Education 2005*, the Department of Education states that 'inclusive education means that all students are welcomed by their school in age-appropriate settings and are supported to learn, contribute and participate in all aspects of school' (Education Services Australia, 2020, p. 4).

Put simply, inclusion is an acknowledgement that every child and young person is unique. In an inclusive learning community, diversity is respected and seen as an opportunity for reciprocal learning, growth and transformation.

Important strategies for inclusion:

- Valuing the family's knowledge. A child or young person's family is well placed to identify their strengths and abilities. The

family is also able to share strategies and approaches they use in the home environment, in previous learning communities or with their health professionals.

- Understanding a family's perspective. Just as important as developing a strong understanding of what a family hopes for their child or young person in the learning community is listening to their concerns or anxieties. This may include concerns about their child being treated differently or their reflections on being the parent of a child with developmental delay or disability.
- Being respectful of a family's understanding and beliefs about developmental delay or disability is also helpful. Understand that every family is unique. Families will have different needs and preferences for how they work with their child's educators, and how they would like to communicate or collaborate.
- Being respectful of a family's background, beliefs, values, customs and language, and encouraging open, constructive discussions to provide culturally appropriate support.

Educators play a significant role in supporting parents throughout processes of assessment and diagnosis of developmental delay or disability, and are often called on to offer observations and insights. Families find themselves very quickly having to navigate and advocate for their child in an unfamiliar system.

See: ECA's [Statement on the inclusion of every child in early childhood education and care](#).

Be You, the national early childhood mental health initiative, plays an important role in empowering learning environments to support all children to feel a

sense of belonging and to thrive in their learning and relationships. This is a protective factor for mental health. Below is a resource developed by Be You to support reflection and practice development in relation to inclusion.



The role of Inclusion Agencies

The Inclusion Agencies responsible for administering the Australian Government's 'Inclusion Support Program' (ISP) across Australia's different states and territories often facilitate or recommend relevant professional learning opportunities and events for educators working in some ECEC services such as long day care, school age care and family day care. Inclusion Agencies also have a network of Inclusion Professionals who can provide practical and tailored advice and support to early childhood services, as well as supporting services to access the Inclusion Development Fund, which provides funding to facilitate inclusion in early learning communities

through subsidies for an additional educator, time-limited support, family day care top-up and innovative solutions to overcome barriers to inclusion.

The Inclusion Agencies, through the support function that they undertake, play a critical role in identifying trends and nuances in relation to supporting children's inclusion across geographic locations and operating structures. They are well placed to gain insight into the strengths and struggles surfacing in the sector.

In addition, they often play a role in linking families who are not currently attending ECEC to early childhood services.

Support for children with disability or developmental concerns

Families with children who have disabilities often face exclusion from services. The Australian Institute of Family Studies' *Child Care Package Evaluation* (Bray et al., 2021) reported that 20% of families with a child with additional needs had to change services because their children's additional needs could not be met. These families were also more likely to be dissatisfied with their service. The evaluation also reported on the practices of services not offering places to children with additional needs or operating a quota system, capping the number of children who could attend.

Failure to support children with additional needs also disproportionately affects families with more financial constraints, because they are often faced with large fixed costs (medication, equipment, allied health services) and may also have a limited ability to engage in employment because of caring demands.

The ISP has experienced continued demand and pressures due to a range of factors, including the COVID-19 pandemic, high turnover in the educator workforce and pressure on the service system to respond. This has had a significant impact on both the

ISP and services that support children with additional needs.

ECA are acutely aware of the increased demand from ECEC services for inclusion support throughout the period of the pandemic and the pressures that this has placed on the ISP. We are also aware of the gaps between funding allocation and costs of providing additional educators through the program. It is imperative that funding of the ISP not only matches growth in demand but also covers the true costs of providing the service—so that there is no disincentive for children’s inclusion.

ECA proposes that comprehensive research be undertaken into the effectiveness of the current ISP, including what is driving demand and constraining delivery. This should encompass an exploration of what models could be implemented to support ECEC services in the current context of workforce shortages, where additional educators may not be readily available. Additionally, it could focus on bridging capacity-building and direct support for children, exploring ways that the system could address need, driven by data (e.g. AEDC), for cohorts of children to improve both their inclusion and outcomes (e.g. embedding speech and language interventions, or supporting specialist secondary consultations).

The National Disability Insurance Scheme

The introduction of the National Disability Insurance Scheme (NDIS) signalled significant reform in Australia. As an NDIS Partner in the Community provider, ECA have direct experiences of the challenges that families face navigating the NDIS.

Early childhood services often provide critical support, information and referral to families throughout assessment and diagnosis processes and can play a significant role in supporting therapeutic interventions.

The structure of individual funding has impacted the extent to which ECEC services can collaborate with allied health and support services, which is limiting joint effort. Approaches to supporting children with disabilities need to be more joined up and compatible.

Inclusion of vulnerable groups

There are opportunities to embed, integrate and commission responses to key government strategies such as *Safe and Supported: The National Framework for Protecting Australia’s Children 2021–2031* and the *National Plan to End Violence against Women and Children 2022–32* within ECEC settings. ECA advocates for a strong universal platform of ECEC from which additional services and supports can be leveraged.

With adequate resourcing, partnerships and service integration, early childhood settings have much to contribute to delivering the vision of these national frameworks. There are currently several formal and informal examples of integrated and collaborative models of early childhood delivery that span health, family and community services. These sites prioritise access and leverage well-developed relationships—focused on children and built over time—to connect families with support services that meet their needs. By deeply listening to the voices of children and those who care for them, these sites are well positioned to demonstrate trauma-informed, culturally safe and inclusive policies and actions.

Demonstration sites could be selected to develop processes to enhance the interface between ECEC, child protection, family services and family violence services to collaboratively plan for children’s wellbeing and safety and leverage early intervention opportunities. ECA could work with these sites to document learnings and approaches that emerge from the work to promote as promising practices.

Mapping effort to the *National Plan to End Violence against Women and Children 2022–32*

Early childhood services provide a strong platform from which the pillars of *prevention, early intervention, response and recovery* can be leveraged.

- **Prevention** through supporting gender equity and developing respectful relationships.
- **Early intervention** through:
 - ongoing engagement with families to identify or support families who disclose their experience of family violence
 - leveraging Additional Child Care Subsidy (ACCS) to support families with specific wellbeing concerns or other hardships.
- Supporting **response and recovery** in collaboration with family violence and family services by:
 - embedding trauma-informed practices
 - creating connections between ECEC services and response services to support families who may be arriving to a new area after leaving a violent relationship (Navigator roles)
 - providing respite to victim-survivors so they can focus on their recovery and are secure in the knowledge that high-quality early learning is available for their children. ECEC services could also be routinely included in care teams to integrate strategies across environments and provide targeted support.

Conceptual understanding and language

As outlined in the *State of Early Learning Report* (Early Learning: Everyone Benefits, 2019), the benefits children and families gain from early learning are not spread evenly across key equity groups in Australia. In the crucial year before school, too many children experiencing vulnerable or disadvantaged circumstances are missing out on too many hours of early learning. This includes Aboriginal and Torres Strait Islander children, children from low socioeconomic areas and children with disability (ABS, 2019). While recent data reveals that the attendance of Aboriginal and Torres Strait Islander children at preschool has increased, children from remote areas

of Australia are facing challenges that require greater intervention in the years before school.

The concept of inclusion is of fundamental importance to building a universal system and needs to be articulated in the vision and principles. ECA has developed a *Statement of Inclusion* (2016) that articulates a commitment to ‘the inclusion of every child in early childhood education and care. Inclusion means that every child has access to, participates meaningfully in, and experiences positive outcomes from early childhood education and care programs’ (p. 2). This positively framed commitment offers an alternative to focusing on barriers and deficit language.

Aboriginal and Torres Strait Islander cultural responsiveness

All children should be empowered to realise their potential and determine their own futures, strong in their culture. ECA is committed to closing the gap for Aboriginal and Torres Strait Islander children by improving their access to high quality early education and ensuring that they experience the opportunity to thrive and learn in early learning environments that celebrate and value Indigenous cultures. We recognise and support the work of SNAICC in developing the ‘Early Years Strategy’ for Aboriginal and Torres Strait Islander Children’ as well as the important role of Aboriginal and Torres Strait Islander community organisations (ACCOS) in delivering early childhood education and care.

In 2019, ECA produced a [position paper](#) with SNAICC—National Voice for our Children, entitled *Working Together to Ensure Equality for Aboriginal and Torres Strait Islander Children in the Early Years*. The position paper drew on extensive research into the barriers to young Indigenous children participating in early learning. As a result of this work we recognise the importance of community ownership and the expansion of early childhood education and care services delivered by ACCOS.

At the same time, we believe that all early childhood services need to be culturally responsive. It is the right of all children to feel safe, welcome and included in early childhood services regardless of who runs those services. It is also the right of all Australian children to benefit from Aboriginal and Torres Strait Islander early education services. Together with the *Narragunnawali: Reconciliation in Education* team at Reconciliation Australia, we are committed to working with families, Aboriginal and Torres Strait Islander community controlled organisations, services and governments to drive the holistic and comprehensive strategy necessary to support First Nations children to experience equality in the early years.

The importance of Aboriginal and Torres Strait Islander cultural responsiveness has been elevated in the approved learning frameworks following their recent review, with stronger guidance for early childhood professionals now articulated in the EYLF V2.0.

Representation as a measure of engagement

The ability to distribute the benefits of high-quality early childhood education and care relies on the capacity of the system to reach and reflect local community demographics and ensure that all cohorts have equitable access. One approach to this could be to compare enrolment data with community demographics. Services could be incentivised to achieve representation by receiving loadings commensurate to the level of engagement and community development work associated with engaging and supporting diverse community groups – with additional loadings where there are identified support needs that require resourcing (such as translation, culturally led community liaison, casework and referral).

Another approach would be to resource some services and/or Inclusion Support Agencies to engage

more proactively in community outreach to build connections between community cohorts and services. There is scope to more clearly articulate and support the role of organisations with cultural and linguistic expertise—such as FKA (Victoria) and Ethnic Community Services Co-operative (NSW)—in system-wide responses, as well as organisations that provide practical support in relation to governance and management for services operating in rural and remote communities, such as Community Connections Solutions Australia (CCSA).



Recommendations

ECA Recommendation 19: Strengthening inclusion support and early intervention to ensure timely responses to children with developmental concerns.

ECA Recommendation 20: Invest in educators' and teachers' professional learning related to the inclusion of children with additional needs and trauma-informed practice.

ECA Recommendation 21: Increase funding for children with disabilities and additional needs attending early learning services to match increased demand, and fund research into models that might most appropriately help meet their needs.

ECA Recommendation 22: Adopt firm commitments to lift participation rates amongst vulnerable cohorts, including Aboriginal and Torres Strait Islander children; children with a disability, additional needs or developmental concerns; those living in rural, remote or isolated locations; and children from culturally and linguistically diverse backgrounds, including recently arrived humanitarian entrants.

Case Study: ECEC in a remote community

This case study draws on ECA's experience delivering the 'Inclusion Support Program' in remote communities across the Northern Territory.

The NT currently has 23 ECEC services, eligible for Child Care Subsidy, that are 'Working Towards' the National Quality Standard (NQS), and 46 services that are not regulated (CCCF-R). This amounts to 35% of eligible ECEC services across the NT not currently meeting NQS. Quality and safety are obviously critical elements in supporting inclusion of children with diverse and complex needs and multiple vulnerabilities.



AEDC data tells us that in the NT, there is a very high proportion of children starting school with two or more developmental vulnerabilities (27.5% compared to 11.6% nationally).

There is a significant number of children (particularly Indigenous children) arriving at school (as late as Grade 2) who have never attended any form of ECEC.



This case example draws on a community located approximately 1000 km from Darwin. Observations about ECEC attendance and enrolment were gathered on a scheduled visit to the community (local staff reported the day followed a typical pattern of attendance).

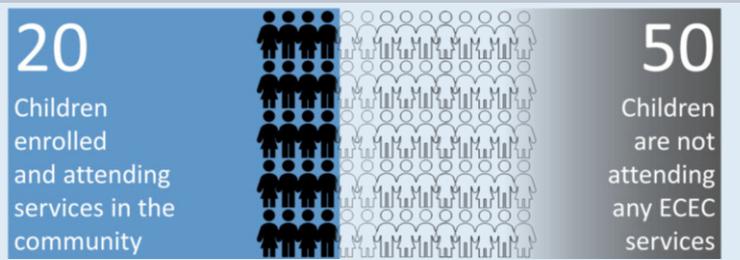
The community has a population of approximately 900, around 70 children under five and approximately 15 pregnancies.

There are currently five services operating with an early childhood focus in this remote community. ECA met with services to gain insight into the focus, intention and purpose, and interface of these programs in providing ECEC to the children in the community. Local staff emphasised underutilisation and very few enrolments as a significant issue for the community. Services visited included:

- a purpose-built 'centre based day care' service staffed by an early childhood teacher with a team of three educators and operated by the local Aboriginal Community Controlled Organisation (two out of the five children enrolled in the service were in attendance)
- a playgroup, also run by the local Aboriginal Community Controlled Organisation, operating in facilities adjacent to the 'centre based day care' service (no families were in attendance)
- 'Families as First Teacher' program (one family with one child was in attendance)
- the school and preschool program (11 out of the 13 children enrolled were in attendance)
- the local Bush Kindergarten program (approximately 15 children enrolled—not operating at the time of visit).

	Centre based day care	Playgroup	Preschool	Families as First Teachers	Bush Kindergarten program
Attendance	2 out of 5	0 out of 0	11 out of 13	1 out of 5	~15
Provider	Aboriginal Community Controlled Organisation	Aboriginal Community Controlled Organisation	Northern Territory Department of Education	Northern Territory Department of Education	Foundation
Funding	Parent fees and federal	Parent fee	Parent Fees and NT DET	No Fees	Philanthropic
Description	Provide ECEC for working parents	Play and learn with parents and community	Preschool program	Place-based parent capacity building	Indigenous bush kindergarten program

Out of an estimated 70 children under five years old in the local community, only around 20 children were enrolled in and intermittently attending these five services—meaning that around 50 children under five years old in the community were not attending any ECEC programs.



The school reported that approximately two-thirds of children that come to school in transition year have not attended any ECEC programs. The school runs a ‘Remote School Attendance Scheme’ (RSAS) that undertakes outreach to identify and engage children not enrolled in school. The RSAS team goes out to town camps, visiting homes to encourage families to bring their children out of the house to play and engage and eventually find a pathway to school. The RSAS team reported that there are many instances where they have met children with undiagnosed disability who do not attend any services and don’t come to school at all until as late as Grade 2.

Early engagement through trusted, high-quality ECEC has the potential to support earlier intervention and build connections between families, schools and services. Achieving this level of trusted engagement requires a considerable coordinated effort and the flexibility to align service delivery with the values and expectations of the community. Low utilisation is a signal that the system is not meeting the most critical needs of families and communities—it also limits the opportunities for early engagement with children and families.

This case study provides an example of the complexity in designing interventions that will result in the type of engagement that will support children and communities to thrive. In this example, it is not a lack of infrastructure limiting access, rather it is a complex combination of relational, practical and structural barriers.

Learnings

<p><i>For early childhood education and care to be valued, it needs to be responsive to the context of the community in which it is delivered.</i></p>	<p>Services in remote areas respond to different demands, and because of this, they need to be configured to respond differently. Where there are thin employment markets, workforce participation is not the primary driver for participation in ECEC and would be an inappropriate measure of effectiveness, particularly when there is a cost involved in attending early childhood education and care. In contrast, this case study revealed priorities in relation to children’s learning and development (related to assessment and diagnosis), addressing service connection and access, and community determination.</p>
<p><i>Relationships, trust and cultural safety are imperative.</i></p>	<p>Mistrust is a common barrier to access for many Aboriginal and/or Torres Strait Islander families, often coupled with concerns about stigma and notifications to child protection services due to health or behavioural issues occurring in a context of poor or overcrowded housing. Services delivered in remote communities often rely on funding and are based on models of delivery (aligned with funding programs) that were designed without the specific context in mind. Meaning that imposed cultural norms are embedded in the ways that services are designed and deployed. Engagement occurs within the existing frame, rather than being influenced by local priorities and values.</p>
<p><i>Practical and structural barriers limit access.</i></p>	<p>Examples of these barriers include the costs associated with attending programs, the difficulties accessing subsidies (not having a birth certificate), and the cost of and access to transport.</p>
<p><i>Complexity compounds practical and structural issues.</i></p>	<p>Many families have experienced significant hardship, disadvantage and intergenerational trauma. Complex social issues require sophisticated and long-term responses.</p>

Different thinking is urgently needed to deliver quality outcomes for children in remote areas of Australia. This will require **local integrated governance** to support collaborative approaches, as well as reviewing the way that government funding and policy are developed and implemented. **Investment in quality** that is **culturally responsive and inclusive** requires an embracing and articulation of **culturally informed quality** and decolonising current quality structures and discourses.

Pillar 4: Stability—a valued workforce

Workforce shortages

One of the most critical issues facing the ECEC sector is a significant workforce shortage and continued recruitment challenges. These issues have a direct impact on implementation of a universal approach.

Turnover in the sector is estimated at 30% annually and between May 2020 and May 2022 there were:

- almost three times the vacancies for centre directors
- almost four times the vacancies for early childhood teachers
- more than six times the vacancies for ECEC educators.

According to the most recent ACECQA Snapshot (Quarter 1, 2023), 8.9% of services have a staffing waiver, with that increasing to 19.6% for long day care services. Services in rural, regional and remote communities face particular challenges in attracting qualified staff.

Many services are reducing their capacity in response, which is directly impacting families' ability to balance their work and care responsibilities. While labour shortages are occurring in many industries, the ECEC sector is unique in that it is an enabler for many other sectors, because it supports parents to go to work in a range of sectors. Shortages in this sector reverberate across the broader workforce. This is particularly evident in rural and regional areas where limited access to early childhood education and care can have a direct and negative impact on recruitment efforts across a broad range of sectors and industries such as health, education, agriculture and mining.

Across the NT, where ECA delivers the Inclusion Agency, we see the impact of long wait lists for both centre-based long day care and family day care leading to people leaving the region. There is also a cohort of children who live on large rural properties and are isolated. ECEC provision for these children requires mobile ECEC services such as the Katherine

Isolated Children's Service that is supported by the Isolated Children's Parent Association (ICPA).

Workforce demographics

The early childhood sector employs 216,619 teachers and educators (195,390, or 90.2%, in contact roles), which is comparable to the workforce in primary and secondary schools, respectively, along with mining and media/communications sectors. The size and significance of the sector is often underestimated and warrants more attention by policymakers concerned with growing Australia's workforce capability, productivity and skills agenda.

The high proportion of contact roles within the ECEC workforce is directly related to the ratios in operation within the sector, which is linked to the NQF. Strategies to address shortages need to be substantial in terms of scale because this is a large workforce. It is important to note that the majority of the workforce is female (92.1%) and that the early childhood education and care sector is a professional sector offering training and career pathways. According to the 2021 workforce census, almost half of the early childhood educators aged 15 to 24 years were working toward a certificate, diploma or degree.

The issues facing the ECEC sector are well understood and documented in *Shaping Our Future: A ten-year strategy to ensure a sustainable, high-quality children's education and care workforce 2022–2031*, which was published in September 2021 by the ACECQA 'National Workforce Strategy'. In the associated *Implementation and Evaluation Plan* (ACECQA, 2022a), the 'National Workforce Strategy' outlines 21 actions spanning six focus areas:

- professional recognition
- attraction and retention
- leadership and capability
- wellbeing, qualifications and career pathways
- data and evidence.

This plan has been developed with significant contributions from the sector and is fit for its longer-term purpose towards which work has commenced. Yet many in the sector are concerned at the long timeframes and limited resources behind the strategy, arguing that the crisis requires more urgency and more investment.

Several state and territory governments have taken a leadership role in addressing workforce issues (examples below).

Promising Practice Example: Early Years and School Age Care (EYSAC) Hub

The EYSAC Hub is a key outcome of the 'EYSAC Sectors Workforce Plan' for Tasmania. It was developed through consultation with the EYSAC sector and associated agencies and government departments. The Hub contains a range of resources, including videos for the sector.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

Promising Practice Example: 'Best Start Best Life' — workforce communications campaign

The Victorian Government continues to iterate and deploy its integrated advertising campaign to attract people to the early childhood sector by raising awareness of career opportunities and the support available to study and join or re-join the sector.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

Sector insights: exhausted but not without joy

ECA recently commissioned ORIMA Research to conduct research with a small sample of 100 qualified teachers and educators who had recently left the ECEC sector. Through the research, educators described that feeling physically and emotionally burnt out from working in the sector, coupled with the inability to control their own working

environment, left them feeling that leaving the sector was the only option. The survey revealed the top three reasons that educators left were poor rates of pay, work stress and high workload.

ECA also conducted a short survey of members and followers prior to the Jobs and Skills Summit, which mirrored some of these experiences and confirmed that the workforce is under significant pressure. The need to improve pay and conditions through long-term structural reform was the highest-ranked priority for the sector, followed by an immediate wage increase, support to include children with additional needs and a community-level campaign promoting the value of the profession. While the ORIMA research and ECA's survey have revealed an alarming level of pressure being faced by the sector, both have also provided hopeful findings:

- Respondents to the ORIMA survey continued to view the sector positively. When asked to describe their ECEC experience, 59% of respondents did so in positive terms. In addition, respondents were more likely to respond positively when asked to indicate their level of agreement with a range of positively framed statements relating to their work (e.g. statements focused on presence of opportunities, job satisfaction or likelihood to recommend the sector as a good place to work).
- In our ECA survey, we uncovered that while 67% of respondents indicated that they felt exhausted daily, 78% of those indicated that they regularly felt 'happy', 67% regularly felt 'joyful', 51% regularly felt 'excited', and 46% regularly felt 'hopeful'. These findings indicate that the educators who have left the sector and those who are still working in it, despite experiencing high levels of pressure and stress, have not lost their love of working with children.

- Around 46% of respondents to the ORIMA survey indicated that they would likely or definitely return to the sector if improvements were made—the top two being improved pay and higher staff-to-child ratios. One significant finding that bears

further exploration is that 29% of the participants who left the sector are not currently engaged in employment; this group was the most likely to return to the sector if conditions improved.

Figure 12: Drivers for entering, leaving and returning to a career in ECEC

Top three drivers ...		
... for entering the sector	... for leaving	... for returning
Love of children (76%)	Poor rate of pay (41%)	Improved pay (50%)
Personally rewarding (45%)	Work stress (34%)	Higher staff-to-child ratios (31%)
Wanted a career in education (42%)	Wanted to develop new skills (26%)	More support for children with additional needs (19%)
	High workload (25%)	
	To undertake further study (23%)	

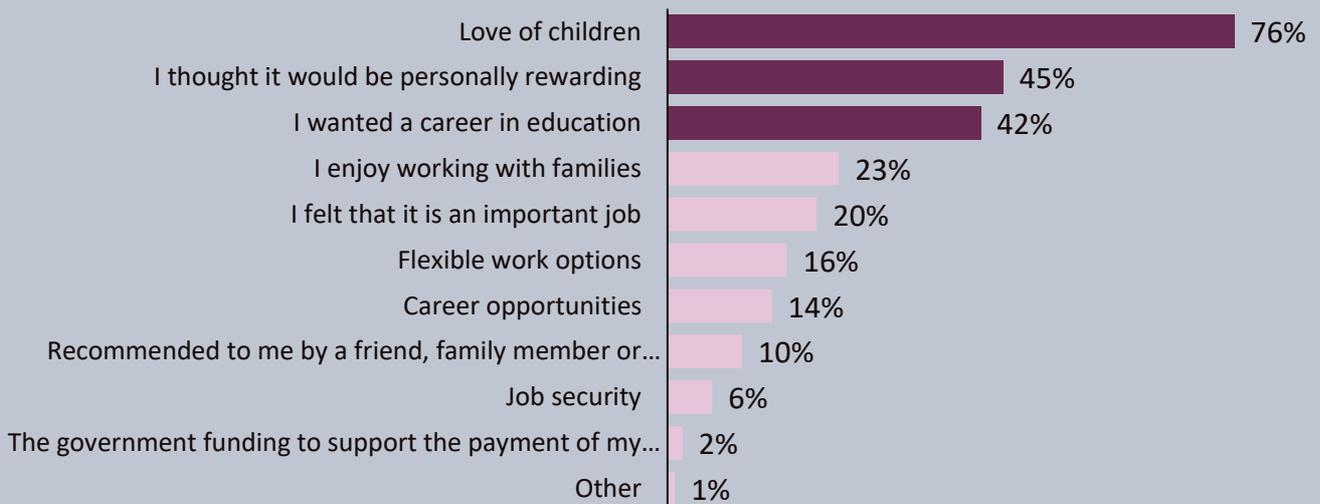
--

While the early childhood workforce is facing significant challenges, the survey responses indicate that meaningful action will be responded to in kind and may assist in slowing attrition and potentially attract back existing qualified educators and teachers. There is a strong rationale to implement a time-limited crisis response to stabilise the sector to enable longer-term strategies to take effect. This could include bringing forward elements of the *Shaping Our Future* workforce strategy and implementing time-limited strategies that address the workforce and

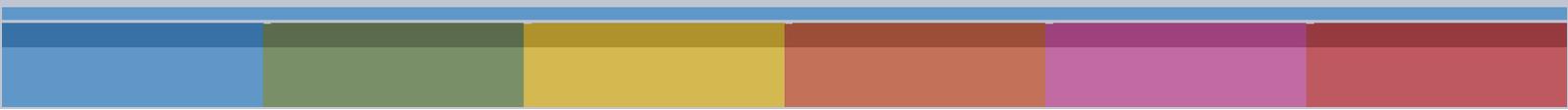
qualification supply issues. The crisis response, however, must address pay and conditions.

In the ORIMA survey mentioned above, the three main reasons for entering the sector identified in the survey were consistent with the qualitative research. All participants recognised the critical role that they had played in the early years of a child’s life—they wanted to ‘make a difference’. Participants also indicated that their relationships with children and families were very important.

Figure 13: Reasons for entering the sector



Pay and conditions





The ECEC sector, made up of qualified educators and teachers, experiences lower pay and less favourable conditions both generally and in comparison to the school sector. Significant drivers of teacher and educator attrition are pay and conditions, particularly when set against the high level of responsibility ECEC services assume.

ECA has worked with the United Workers Union to facilitate conversations between employers, peak bodies and other unions to agree on a shared approach to progressing pay and conditions for the ECEC workforce. The group has considered a range of options that could be implemented by employers, supported by peaks or progressed through bargaining processes, as well as strategies that require federal government support. Multi-employer bargaining has emerged as a potential mechanism for delivering improved pay and conditions for the ECEC workforce. While parties involved to date have demonstrated a high level of goodwill and a strong commitment to delivering a better deal for teachers and educators, they also hold concerns relating to low levels of certainty in relation to the outcomes/consequences of a complex process. For this approach to be effective, the federal government, as the key funder of ECEC, needs to be at the table to negotiate a durable outcome for the sector and to demonstrate that it values ECEC teachers and educators.

ECA want to see improvements in the pay and conditions for the sector. We support the process of multi-employer bargaining as a mechanism to achieve this. We are also acutely aware that this issue cannot afford to be delayed and propose the following principles be adopted:

- Improvements to pay and conditions need to offer immediate/short term remediation strategies that address historic and ongoing disparity (retention payments, wages subsidies or guarantees) and progressive longer-term action targeting structural changes that seek to remunerate ECEC professionals commensurate to the value that the profession contributes (through a Fair

Work Commission gender equity case, changes to awards or harmonising awards).

- Wage increases are funded/underwritten by government. In the short term this may be structured as payments, subsidies or grants, whereas in the medium to long term they should be enshrined in the funding model (and considered within a Productivity Commission review).
- Government funding is allocated fairly and considers current employers' pay regimes as an eligibility factor; for example, an employer should only be eligible for a wage subsidy if they pay at or above a benchmarked level instead of all employers being topped off from their respective starting points.

From the small study conducted by ORIMA with educators who have recently left the early childhood sector, we heard that many remain open to returning and miss working with children, but they want working conditions (particularly workload and stress levels) to be addressed. This work could be replicated at scale and we would like to work with employers on strategies to address these issues and bring qualified educators back to the sector.

It is particularly important to note that educators who had left the sector often reflected on how demanding the work can be—effective programming, managing group dynamics, working with families and responding to children who have complex needs, etc. If they don't feel capable or well supported, it becomes very stressful. It was also evident that the skills of sector leaders and managers in supporting teams and managing people were critical in this. More research is needed to identify and support career pathways that allow for continued skill development, including management and leadership capability when educators and teachers step up into roles where they are leading others or leading services.

Staffing ratios in the NQS set a minimum for safety and quality, but many services recognise that staffing levels need to be well above these minimum ratios in

order to avoid staff burnout. This was particularly evident when the COVID-19 pandemic reduced staffing levels to bare minimum and many people in the sector commented on the difference, including the added workload and stress in services operating below their usual staffing levels.

Anecdotally, the COVID-19 pandemic saw many very experienced educators and leaders leave the sector, creating a skills gap within services. A high number of educators are embarking on basic qualifications and lack role models and mentors within services to help them with their journey. Some jurisdictions such as Victoria are addressing this through external mentoring support which is very promising.

ECA rejects any calls for reducing the qualification requirements for working in the early childhood sector. The work is complex and challenging; educators deserve to be supported to gain the skills they need and are much more likely to stay in the early childhood workforce if well supported.

Promising Practice Example: SA 'Early Career Teacher Development' program

Graduate teachers in the Department for Education are supported by the two-year 'Early Career Teacher Development' program. The professional learning and assignment of a site-based mentor aims to support the transition from the graduate to proficient career stage of the *Australian Professional Standards for Teachers*. In 2022 an estimated 700 teachers participated in the program, around 5% of which are preschool teachers, which is representative of this cohort as a proportion of the department's total teaching workforce.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

Promising Practice Example: Early Childhood Scholarships

Early Childhood Scholarships of up to \$25,000 are encouraging and supporting people to study to become early childhood teachers, with up to \$34,000 available for Aboriginal people to study through the Early Childhood Aboriginal Pathway Scholarships. This is a

continuing initiative and to date more than 3,000 scholarships have been awarded under the program.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

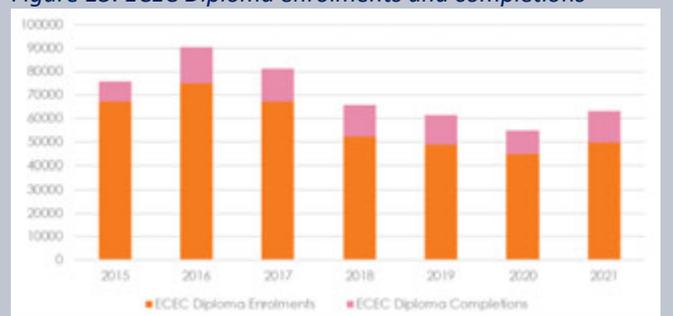
Qualifications pipeline

Given the size of the sector, the demand for new educators and teachers is substantial. The entry level qualification is the Certificate III in Early Childhood Education and Care, and over recent years the annual average of graduates is 15,050, representing 27% of the number of students who enrol in a relevant course (Figure 14). Graduates of the Diploma in Early Childhood Education and Care average 12,567 per year with completion rates of 22% (Figure 15).

Figure 14: ECEC Certificate III enrolments and completions



Figure 15: ECEC Diploma enrolments and completions



That early childhood education is a significant pathway into the teaching profession could be better recognised and communicated to potential students through career counselling in schools, and in RTO and university advertising. It is also a significant career option for people who want to stay and work in a rural, regional or remote community.



Significant barriers to the completion of qualifications include:

- Requirement for unpaid practicum placements—many early childhood educators are working to support their own family while engaging in qualification attainment and cannot afford to have no income while completing placements.
- In rural and remote locations where educators are expected to travel away from home to engage in training or complete practicum placements, the cost and personal impact is often too high. More support for travel and living away from home could help with this.
- In the context of workforce shortages, services often struggle to release staff to complete qualifications and practicum placements. Exchange programs that support educators to leave by backfilling their role with someone from another service are a promising solution to this.

Targeted strategies to attract and support specific cohorts:

- Qualification courses that are culturally responsive and contextualized for Aboriginal and Torres Strait educators working in remote communities. ECA are aware of educators from the communities of Emu Point and Finke River in the Northern Territory who have been working to Diploma or Cert III qualifications for some time but the geographical remoteness makes it challenging to access study support. We are looking at training our Inclusion Support team so that they can support study during inclusion visits to assist their learning and lead to more qualified Indigenous educators (see Promising Practice example below).
- Strategies to encourage more men to work in the sector.
- Skilled migration.

Promising Practice Example: QLD Government Remote Loading for remote and regional services

From 2022 the Queensland Government has committed to \$38.5M over five years to help remote and regional services attract and retain early childhood teachers. Eligible remote and regional community kindergartens and kindergartens in long day care will receive a funding boost to assist with attraction and retention through supports such as accommodation assistance and relocation costs.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

Promising Practice Example: THRYVE Pilot

The Australian Government is investing \$9.1 million in the National Intermediary THRYVE Pilot, to support community-controlled early childhood providers to improve quality under *the National Quality Framework* and increase access to training and professional development for Aboriginal and Torres Strait Islander educators. The THRYVE Pilot is led by SNAICC, the national peak body for Aboriginal and Torres Strait Islander children, and will support over 30 services across New South Wales, Western Australia and Victoria. The Intermediary will respond to local priorities and assist with workforce planning and development, recruitment, retention, training and professional development. This project will build the workforce capability, leadership and capacity of the community-controlled sector to deliver high quality, responsive and culturally safe early learning services.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary*

Promising Practice Example: Expanding the role of Inclusion Professionals

The NT Inclusion Agency (NT IA) (delivered by ECA) is planning to train some of the team in Certificate IV in Training & Assessment to support the study, training, and qualification of Indigenous educators in remote communities. NT IA has MoU's in place with both Batchelor Tertiary Institute and Charles Darwin University (CDU) with a task to address key cultural barriers to inclusive practice that arise from a lack of

local Indigenous educators working in ECEC settings. Being able to provide coaching and mentoring in units of teaching on inclusion during service visits and partnering with Batchelor and CDU to attend study weeks with Indigenous educators will begin to address some of the core barriers to inclusion in remote communities, such as services being unable to operate due to no qualified staff, and families not attending as there are few if any local Indigenous educators in the program.

Source: ECA

employers alike has been very positive and more than 350 people have completed the program.

Source: ACECQA 'National Workforce Strategy' *Complementary New and Enhanced Initiatives Summary* and ECA

^[1] ECA and SNAICC. (2019). Working together to ensure equality for Aboriginal and Torres Strait Islander children in the early years.

^[2] The Early Years Learning Framework for Australia.

Professional learning

Ongoing professional learning is important to workforce retention and growth. While employers are the primary investors in educator and teacher professional learning, there is a role for sector-wide collaboration and strategies to promote workforce stability. In sectors such as health, ongoing professional learning is both mandated and incentivised.

Promising Practice Example: ECA Learning Hub

The ECA Learning Hub is well-regarded for producing high-quality online professional learning. We engage topic experts from the early childhood sector to translate research and identify best practice to develop professional learning that 'speaks the language of educators and teachers' and can be used across the diversity of settings educators may be working in. Our content is designed to help educators gain a thorough and practical understanding of standards, frameworks, and research about quality practice. It is also designed to be accessible, affordable and contemporary. ECA Learning Hub offers a library of over 90 self-paced modules, interactive webcasts, and on-demand webinars across a breadth of topics ranging from pedagogy, WH&S and inclusion support.

The ECA Leadership Program is available on the Learning Hub. This 12-part series built on the ECA *Leadership Capabilities Framework* was launched in 2018 and recently refreshed in consultation with sector leaders and experts. Feedback from participants and



Recommendations

ECA Recommendation 23: Structural reform through multi-employer bargaining or the Fair Work Commission (wage equity review) to address pay equity for teachers as well as for certificate- and diploma-qualified staff against comparable positions in schools.

ECA Recommendation 24: Develop and resource a 'Quality Jobs Initiative', working with ECEC employers to identify and share good practice to improve job security, working conditions, rostering practices, manageable workloads and appropriate investment in professional development, which will improve retention and stabilise the workforce.

ECA Recommendation 25: Continue to invest in the 'National Workforce Strategy' and new workforce measures such as an 'attract back' campaign and enhanced data collection on the ECEC workforce.

ECA Recommendation 26: Improving VET completion rates and support for students in workplaces (including targeted strategies for specific population groups—Aboriginal and Torres Strait Islander people, culturally and linguistically diverse Australians, people with a disability, people living in rural and remote locations, etc.).

ECA Recommendation 27: Continued government support for entry-level VET qualifications and upskilling programs to upgrade certificate to diploma and diploma to degree—including streamlined access and intensive training options where appropriate. Including paid internships for students in the fourth year of their early childhood teacher qualification. Valuing and understanding the profession.

ECA Recommendation 28: More research and data on the ECEC workforce—pipeline of trainees, career advice messaging, career pathways, retention strategies, etc.

ECA Recommendation 29: Developing consistency in relation to recognition of qualification and registration requirements across jurisdictions and settings.



Conclusion

The urgency of creating an impactful, sustainable and robust early childhood education and care system in Australia cannot be overstated. By making strategic choices now, we have an opportunity to reshape our nation's future. These choices, grounded in the values of equity, inclusivity, quality and respect, aim to create a society where every child, regardless of their circumstances, has an equal opportunity to thrive.

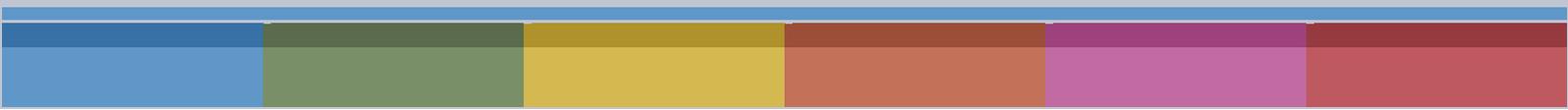
Our recommendations seek to chart a course from vision to action, built on four pillars of access, affordability, inclusion and workforce stability. They propose strategic shifts that involve simplifying the system, ensuring equitable access, making early childhood affordable for all families, providing inclusive support for children with additional needs, and valuing the professional workforce.

By embedding these values in our policies and practices, we strive to create an early childhood system that acknowledges and nurtures the potential of every child. We aim to establish an environment where children are recognised as rights-holders, active agents in their own learning, and the heart of a prosperous future.

The task before us is not small; it requires commitment, cooperation, courage and long-term thinking from all stakeholders, including policymakers, providers, parents and communities. However, the potential benefits—better outcomes for children, support for families, a more inclusive society, and a stronger economy—make this task an imperative.

We have a choice: to choose a future that honours each child's right to learn, grow, and thrive in their early years, understanding that this is not only a matter of individual fulfilment but also societal progress. A choice to invest in early childhood education and care, acknowledging it as the bedrock for our nation's future success. A choice to make this vision a reality, for the benefit of children, families, communities, and our nation as a whole. It is now

time to translate these choices into actions and lay the foundation for a brighter, more equitable future for Australia's children.





References & Resource List

- ACT Government. (2019, June 24). *Setting the foundations for every child's success*.
https://www.cmtedd.act.gov.au/open_government/inform/act_government_media_releases/yvette-berry-mla-media-releases/2019/setting-the-foundations-for-every-childs-success
- Australian Bureau of Statistics (ABS). (2017). 6224.0.55.001 *Labour Force, Australia: Labour Force Status and Other Characteristics of Families, June 2017* [dataset]. <https://www.abs.gov.au/ausstats/abs@.nsf/mf/6224.0.55.001>
- Australian Bureau of Statistics (ABS). (2019). 4240.0 *Preschool Education, Australia, 2018* [dataset].
<https://www.abs.gov.au/ausstats/abs@.nsf/mf/4240.0>
- Australian Children's Education and Care Quality Authority (ACECQA). (2018). *National Partnership Annual Performance Report*. <https://www.acecqa.gov.au/sites/default/files/2018-12/NationalPartnershipAnnualPerformanceReport2018.PDF>
- Australian Children's Education and Care Quality Authority (ACECQA). (2020). *Guide to the National Quality Framework*. <https://www.acecqa.gov.au/sites/default/files/2020-09/Guide-to-the-NQF-September-2020.pdf>
- Australian Children's Education and Care Quality Authority (ACECQA). (2021). *Shaping our future*.
<https://www.acecqa.gov.au/sites/default/files/2021-10/ShapingOurFutureChildrensEducationandCareNationalWorkforceStrategy-September2021.pdf>
- Australian Children's Education and Care Quality Authority (ACECQA). (2022a). *Shaping our future: Implementation and evaluation plan*. <https://www.acecqa.gov.au/sites/default/files/2022-09/National%20workforce%20strategy%20-%20Implementation%20and%20evaluation%20plan%20-%20August%202022.pdf>
- Australian Children's Education and Care Quality Authority (ACECQA). (2022b). *Shaping our future: Complementary new and enhanced workforce initiatives summary*. <https://www.acecqa.gov.au/sites/default/files/2022-09/National%20workforce%20strategy%20-%20Complementary%20new%20and%20enhanced%20initiatives%20-%20as%20at%201%20August%202022.pdf>
- Australian Children's Education and Care Quality Authority (ACECQA). (2023, April 1). *Waivers*. NQF Snapshot Q1 2023. <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>
- Australian Early Development Census (AEDC). (2021). *Australian early development census national report 2018: A snapshot of early childhood development in Australia*. <https://www.aedc.gov.au/>
- Baird, M., Cooper, R., Hill, E., Probyn, E., & Vromen, A. (2018). *Women and the future of work*. Australian Women's Working Futures, University of Sydney. <https://sydney.edu.au/content/dam/corporate/documents/business-school/research/women-work-leadership/women-and-the-future-of-work.pdf>
- Boyd, W., Thorpe, K., & Tayler, C. (2010). Preferences of first-time expectant mothers for care of their child: 'I wouldn't leave them somewhere that made me feel insecure.' *Australasian Journal of Early Childhood*, 35(2), 4–12.
- Bray, J. R., Baxter, J., Hand, K., Gray, M., Carroll, M., Webster, R., Phillips, B., Budinski, M., Warren, D., Katz, I., Jones, A. (2021). *Child Care Package Evaluation: Final Report*. Australian Institute of Family Studies.



- Bray, J. R, Carroll, M., Baxter, J., Budinski, M., Gray, M., (2021). *Evaluation of the Inclusion Support Program*. (Research Report). Australian Institute of Family Studies.
- Buettner, C. K., Jeon, L., Hur, E., & Garcia, R. E. (2016). Teachers' social–emotional capacity: Factors associated with teachers' responsiveness and professional commitment. *Early Education and Development*, 27(7), 1018–1039. <https://doi.org/10.1080/10409289.2016.1168227>
- Campbell, F., Conti, G., Heckman, J. J., Moon, S. H., Pinto, R., Pungello, E., & Pan, Y. (2014). Early childhood investments substantially boost adult health. *Science*, 343(6178), 1478–1485.
- Cassidy, D. J., King, E. K., Wang, Y. C., Lower, J. K., & Kintner-Duffy, V. L. (2016). Teacher work environments are toddler learning environments: Teacher professional well-being, classroom emotional support, and toddlers' emotional expressions and behaviours. *Early Child Development and Care*, 187(11), 1–13.
- Castle, S., Williamson, A. C., Young, E., Stubblefield, J., Laurin, D., & Pearce, N. (2016). Teacher–child interactions in Early Head Start classrooms: Associations with teacher characteristics. *Early Education and Development*, 27(2), 259–274. <https://doi.org/10.1080/10409289.2016.1102017>
- Centre of Community Child Health (CCCH). (2014). *Research Snapshot: Early childhood education and care and the transition to school*. AEDC. <https://www.aedc.gov.au/Websilk/Handlers/ResourceDocument.ashx?id=cb2d2564-db9a-6d2b-9fad-ff0000a141dd>
- Centre for Policy Development (CPD). (2021). *Starting Better—A guarantee for young children and families*. CPD. <https://cpd.org.au/wp-content/uploads/2021/11/CPD-Starting-Better-Report.pdf>
- Cleveland, G. (2022). *Early Learning and Child Care in Canada: Where have we come from, where are we going?* IRPP Insight No. 44. Institute for Research on Public Policy. <https://irpp.org/wp-content/uploads/2022/10/Early-Learning-and-Child-Care-in-Canada-Where-Have-We-Come-From-Where-Are-We-Going.pdf>
- Council of Australian Governments. (2018). *National partnership agreement on universal access to early childhood education*. https://federalfinancialrelations.gov.au/sites/federalfinancialrelations.gov.au/files/2020-04/uaece_2018_and_2019-final_0.pdf
- Cumming, T., Sumsion, J., & Wong, S. (2015). Rethinking early childhood workforce sustainability in the context of Australia's early childhood education and care reforms. *International Journal of Child Care and Education Policy*, (9)2. <https://doi.org/10.1007/s40723-015-0005-z>
- Early Childhood Australia (ECA). (2016). *Statement on the inclusion of every child in early childhood education and care*. ECA. <https://www.earlychildhoodaustralia.org.au/wp-content/uploads/2014/01/Statement-of-Inclusion-2016.pdf>
- Early Childhood Australia (ECA). (2021). *How to talk about early childhood education and care*. <https://www.earlychildhoodaustralia.org.au/wp-content/uploads/2021/07/How-to-talk-about-ECEC.pdf>
- Early Childhood Australia (ECA). (2023). *Issues paper: Expert perspectives on factors that support quality preschool delivery across settings*. https://www.royalcommissionecec.sa.gov.au/data/assets/pdf_file/0004/909463/Issues-Paper-Perspectives-on-Quality-Preschool-ECA.pdf



- Early Childhood Australia (ECA) and Secretariat of National Aboriginal and Islander Child Care (SNAICC). (2019). *Working together to ensure equality for Aboriginal and Torres Strait Islander children in the early years*. Position Paper. <https://www.earlychildhoodaustralia.org.au/wp-content/uploads/2019/02/SNAICC-ECA-Early-Years-Position-Paper-.pdf>
- Early Learning: Everyone Benefits. (2019). *State of early learning in Australia 2019*. Early Childhood Australia. <https://www.earlychildhoodaustralia.org.au/our-work/submissions-statements/state-early-learning-australia-report-2019/>
- Education Services Australia. (2020). *Planning for personalised learning and support: A national resource*. Australian Government Department of Education, Skills and Employment. https://www.nccd.edu.au/sites/default/files/planning_for_personalised_learning_and_support.pdf
- Equity Economics. (2021). *Back of the Pack—How Australia’s parenting policies are failing women and our economy*. The Parenthood.
- Deloitte Access Economics. (2023, March). *Mapping long day care and non-government preschool in South Australia*. Royal Commission into Early Childhood Education and Care. <https://www.royalcommissionecec.sa.gov.au/documents/Mapping-long-day-care-and-non-government-preschool-in-South-Australia.pdf>
- Fox, S., & Geddes, M. (2016). *Preschool—Two years are better than one*. Mitchell Institute Policy Paper No. 03/2016. Mitchell Institute. <https://www.vu.edu.au/sites/default/files/two-years-are-better-than-one-mitchell-institute.pdf>
- Grant, A. A., Jeon, L., & Buettner, C. K. (2019). Chaos and commitment in the early childhood education classroom: Direct and indirect associations through teaching efficacy. *Teaching and Teacher Evaluation*, 81(1), 50–60.
- Grant, S., Comber, B., Danby, S., Theobald, M., & Thorpe, K. (2018). The quality agenda: governance and regulation of preschool teachers’ work. *Cambridge Journal of Education*, 48(4), 515–532. <https://doi.org/10.1080/0305764X.2017.1364699>
- Grant, S., Danby, S., Thorpe, K., & Theobald, M. (2016). Early childhood teachers’ work in a time of change. *Australasian Journal of Early Childhood*, 41(3), 38–45. <https://doi.org/10.1177/183693911604100306>
- Harms, T., Clifford, R., & Cryer, D. (2005). *Early childhood environment rating scale*. Teachers College Press.
- Hewitt, B., Baird, M., Baxter, J., Brady, M., Coles, L., Dickenson, J., Strazdins, L., Whitehouse, G., Xiang, N., & Yerkes, M. (2017). *Millennium mums report, waves 1-5*. Institute for Social Science Research.
- HighScope. (2019). *Perry Preschool Project*. <https://highscope.org/perry-preschool-project/>
- Howells, S., Lam, B., Marrone, R., & Brinkman, S. A. (2022). *Rapid review of the literature and results of an academic pulse survey to determine the evidence behind pre-school for 3-year-old children*. Royal Commission into Early Childhood Education and Care, South Australia. <https://www.royalcommissionecec.sa.gov.au/documents/University-of-South-Australia,-Rapid-Literature-Review-and-Academic-Pulse-Survey.pdf>
- Hurley, P., Matthews, H., & Pennicuik, S. (2022). *Deserts and oases: How accessible is childcare?* Mitchell Institute, Victoria University.



- Irvine, S., Thorpe, K., McDonald, P., Lunn, J., & Sumsion, J. (2016). *Money, love and identity: Initial findings from the National ECEC Workforce Study. Summary report from the national ECEC Workforce Development Policy Workshop*. Queensland University of Technology.
https://eprints.qut.edu.au/101622/1/Brief_report_ECEC_Workforce_Development_Policy_Workshop_final.pdf
- Jackson, A., McKenzie, M., Grey, E., (2023). *Child Care Subsidy Activity Test: Incentive or barrier to labour force participation?* Impact Economics and Policy. apo-nid321776.pdf
- Jeon, L., Buettner, C. K., & Hur, E. (2016). Preschool teachers' professional background, process quality, and job attitudes: A person-centered approach. *Early Education and Development*, 27(4), 551–571.
<https://doi.org/10.1080/10409289.2016.1099354>
- Jeon, L., Buettner, C. K., & Snyder, A. R. (2014). Pathways from teacher depression and child-care quality to child behavioural problems. *Journal of Consulting and Clinical Psychology*, 82(2), 225–235.
- Jones, D. E., Greenberg, M., & Crowley, M. (2015). Early social-emotional functioning and public health: The relationship between kindergarten social competence and future wellness. *American Journal of Public Health*, 105(11), 2283–2290.
- Jordan, B., & Kennedy, A. (2019). *Changing the life trajectories of Australia's most vulnerable children: The Early Years Education Program (EYEP) model*. University of Melbourne, Melbourne Institute & Kids First.
https://fbe.unimelb.edu.au/_data/assets/pdf_file/0008/3059297/EYERP-Report-3-web.pdf
- Joyce, S. (2019). *Strengthening Skills*. Commonwealth of Australia, Department of the Prime Minister and Cabinet.
https://www.pmc.gov.au/sites/default/files/resource/download/strengthening-skills-independent-review-australia-vets_1.pdf
- Leseman, P. (2021). *Governing a privatized marketized 'hybrid' ECEC system: risks and opportunities of a social market approach to educational governance*. Goodstart Early Learning.
- Li Grining, C., Raver, C. C., Champion, K., Sardin, L., Metzger, M., & Jones, S. M. (2010). Understanding and improving classroom emotional climate and behavior management in the "real world": The role of Head Start teachers' psychosocial stressors. *Early Education and Development*, 21(1), 65–94.
- Manning, M., Wong, G. T. W., Fleming, C. M., & Garvis, S. (2019). Is teacher qualification associated with the quality of the early childhood education and care environment? A meta-analytic review. *Review of Educational Research*, 89(3), 370–415. <https://doi.org/10.3102/0034654319837540>
- McDonald, P., Irvine, S., & Thorpe, K. (2018). Low pay but still we stay: Retention in early education and care. *Journal of Industrial Relations*, 60(5), 647–668. <https://doi.org/10.1177/0022185618800351>
- McDonald, P., Thorpe, K., & Irvine, S. (2016, November 24). *Early childhood educators rely on families to prop up low income, research finds*. The Conversation. <https://theconversation.com/early-childhood-educators-rely-on-families-to-prop-up-low-income-research-finds-69283>
- New South Wales Department of Education. (2018). *Early childhood education workforce strategy 2018–2022*.
https://education.nsw.gov.au/content/dam/main-education/early-childhood-education/working-in-early-childhood-education/media/documents/NSW_WorkforceStrategy-accessible.pdf



- New South Wales Department of Education. (2019). Operating an early childhood education service: Start strong. Retrieved June 14, 2019, from <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/start-strong#Start1>
- Northern Territory Department of Education. (2022). *Families as first teachers*. <https://education.nt.gov.au/support-for-teachers/faft>
- Oberhuemer, P. (2015). Parallel discourses with unparalleled effects: Early years workforce development and professionalisation initiatives in Germany. *International Journal of Early Years Education*, 23(3), 303–312. <https://doi.org/10.1080/09669760.2015.1074560>
- O'Connor, E., O'Connor, M., Gray, S., & Goldfeld, S. (2018). Profiles of mental health competence and difficulties as predictors of children's early learning. *School Mental Health*, 10(4), 402–416. <https://doi.org/10.1007/s12310-018-9252-9>
- Organisation for Economic Cooperation and Development (OECD). (2015). *Starting Strong IV: Monitoring quality in early childhood education and care*. OECD Publishing. <https://doi.org/10.1787/9789264233515-en>
- Organisation for Economic Cooperation and Development (OECD). (2016). *PF4.1: Typology of childcare and early education services*. <https://www.oecd.org/els/family/PF4-1-Typology-childcare-early-education-services.pdf>
- Organisation for Economic Cooperation and Development (OECD). (2017). *Starting strong 2017*. OECD Publishing. <https://doi.org/10.1787/9789264276116-en>
- Organisation for Economic Cooperation and Development (OECD). (2018a). *Education at a glance 2018: OECD indicators*. OECD Publishing. <https://doi.org/10.1787/eag-2018-en>
- Organisation for Economic Cooperation and Development (OECD). (2018b). *Engaging young children: Lessons from research about quality in early childhood education and care*. OECD Publishing. <https://doi.org/10.1787/9789264085145-en>
- Organisation for Economic Cooperation and Development (OECD). (2018c). *OECD labour force statistics 2018*. https://www.oecd-ilibrary.org/employment/oecd-labour-force-statistics_23083387
- Organisation for Economic Cooperation and Development (OECD). (2019). *Good practice for good jobs in early childhood education and care*. OECD Publishing. <https://doi.org/10.1787/64562be6-en>
- Organisation for Economic Cooperation and Development (OECD). (2022). *Benefits and wages: Net childcare costs*. <https://data.oecd.org/benwage/net-childcare-costs.htm>
- Organisation for Economic Cooperation and Development (OECD). (2023a). *PF3.1: Public spending on childcare and early education*. OECD Family Database. http://www.oecd.org/els/soc/PF3_1_Public_spending_on_childcare_and_early_education.pdf
- Organisation for Economic Cooperation and Development (OECD). (2023b). *PF3.2 Enrolment in childcare and pre-school*. OECD Family Database. https://www.oecd.org/els/soc/PF3_2_Enrolment_childcare_preschool.pdf
- Pakarinen, E., Kiuru, N., Lerkkanen, M. K., Poikkeus, A. M., Siekkinen, M., & Nurmi, J. E. (2010). Classroom organization and teacher stress predict learning motivation in kindergarten children. *European Journal of Psychology of Education*, 25(3), 281–300.

- Pascoe, S., & Brennan, D. (2017). *Lifting our game*. Victorian Government. <https://nla.gov.au/nla.obj-612290923/view>
- Phillips, D., Austin, L. J. E., & Whitebook, M. (2016). The early care and education workforce. *Future of Children*, 26(2), 139–158. <https://doi.org/10.1353/foc.2016.0016>
- Pianta, R. C., La Paro, K. M., & Hamre, B. K. (2008). *Classroom Assessment Scoring System™: Manual K-3*. Paul H Brookes Publishing.
- Premier of Victoria. (2018). *Boosting the number of early childhood teachers*. [Press release]. <https://www.premier.vic.gov.au/boosting-the-number-of-early-childhood-teachers/>
- Premier of Victoria. (2019, May 28). *Kindergarten for all three-year-old children in Victoria*. [Press release]. <https://www.premier.vic.gov.au/kindergarten-for-all-three-year-old-children-in-victoria/>
- PricewaterhouseCoopers (PwC). (2014). *Putting a value on early childhood education and care in Australia*. PwC. <https://www.pwc.com.au/pdf/putting-value-on-ecec.pdf>
- PricewaterhouseCoopers. (2019). *A smart investment for a smarter Australia: Economic analysis of universal early childhood education in the year before school in Australia*. The Front Project. www.thefrontproject.org.au/economic-analysis
- Productivity Commission. (2014). *Childcare and early childhood learning*. Productivity Commission Inquiry Report (No. 73). Commonwealth of Australia. <https://www.pc.gov.au/inquiries/completed/childcare/report/childcare-volume1.pdf>
- Productivity Commission. (2018). *National Indigenous Reform Agreement* [Data tables]. <https://www.pc.gov.au/research/supporting/national-agreements/indigenous-reform>
- Productivity Commission. (2022). *Section 3: Early childhood education and care*. Report on Government Services. <https://www.pc.gov.au/research/ongoing/report-on-government-services>
- Queensland Government. (2019). *Early childhood education and care workforce action plan*. <https://earlychildhood.qld.gov.au/careersAndTraining/Documents/workforce-action-plan-16-19.pdf>
- Roberts-Holmes, G. (2013). The English Early Years Professional Status (EYPS) and the ‘split’ early childhood education and care (ECEC) system. *European Early Childhood Education Research Journal*, 21(3), 339–352. <https://doi.org/10.1080/1350293X.2012.704304>
- Royal Children’s Hospital Melbourne (RCH). (2023, February 24). *Australian families: How we play*. RCH National Child Health Poll. <https://rchpoll.org.au/polls/australian-families-how-we-play/>
- Secretariat of National Aboriginal and Islander Child Care (SNAICC). (2019). *SNAICC Submission to the Australian National Audit Office examination of the design and implementation of the Child Care Package*. https://www.snaicc.org.au/wp-content/uploads/2019/06/SNAICC-ChildCarePackageAuditSubmission_May2019.pdf
- Social Research Centre. (2017). *2016 Early childhood education and care workforce census*. Department of Education and Training. <https://www.education.gov.au/early-childhood/resources/2016-national-early-childhood-education-and-care-workforce-census-report>



- South Australia Department of Education. (2017). *Guiding principles and population outcomes in children's centres*. <https://www.education.sa.gov.au/parenting-and-child-care/child-care/services-and-programs/childrens-centres/guiding-principles-and-population-outcomes-childrens-centres>
- Standing Council on School Education and Early Childhood (SCSEEC). (2012). *Early years workforce strategy*. https://docs.education.gov.au/system/files/doc/other/early_years_workforce_strategy_0_0_0.pdf
- Tasmanian Department of Education. (2019). *Working together for 3 year olds (WT3) pilot program*. <https://publicdocumentcentre.education.tas.gov.au/library/Shared%20Documents/WT3-Pilot-Evaluation-Report-Clear-Horizon.pdf>
- Taylor, C., Ishimine, K., Cloney, D., Cleveland, G., & Thorpe, K. (2013). The quality of early childhood education and care services in Australia. *Australasian Journal of Early Childhood*, 38(2), 13–21.
- Taylor Fry. (2018). *Forecasting future outcomes*. NSW Government Stronger Communities Investment Unit. <https://www.nsw.gov.au/sites/default/files/2023-01/Forecasting%20Future%20Outcomes%20Report%202018.pdf>
- Tehan, D. (2018). *Government driving down cost of child care*. [Press release]. <https://ministers.education.gov.au/tehan/government-driving-down-cost-child-care>
- Telethon Kids Institute and Minderoo. (n.d.). *CoLab: Strategic framework summary document*. <https://colab.telethonkids.org.au/siteassets/media-docs---colab/colab-strat-plan-web.pdf>
- Mercy Community and Queensland Government. (2023). Pathways for early learning and development. <https://mercycommunity.org.au/families-and-young-people/our-programs/early-years/pathways-for-early-learning-development/#:~:text=Our%20Pathways%20for%20Early%20Learning,broader%20family%20and%20community%20settings.>
- Vernon-Feagans, L., Mokra, I. L., Carr, R. C., Garrett-Peters, P. T., & Burchinal, M. R. (2019). Cumulative years of classroom quality from kindergarten to third grade: Prediction to children's third grade literacy skills. *Early Childhood Research Quarterly*, 47, 531–540. <https://doi.org/10.1016/j.ecresq.2018.06.005>
- Victorian Department of Education and Training. (2017). *Early childhood reform plan: Ready for kinder, ready for school, ready for life*. <https://www.education.vic.gov.au/Documents/about/educationstate/ec-reform-plan.pdf>
- Victorian Department of Education and Training. (2019). *Kindergarten for all three-year-old children*. <https://www.education.vic.gov.au/about/programs/Pages/three-year-old-kinder.aspx>
- Victoria State Government Department of Treasury and Finance. (2019). 2019-20 State Budget. <https://www.dtf.vic.gov.au/previous-budgets/2019-20-state-budget>
- Warren, D., Qu, L., & Baxter, J. (2020). *Australian families then and now: How we worked*. Australian Institute of Family Studies. https://aifs.gov.au/sites/default/files/publication-documents/2008_aftn_employment_0.pdf
- Western Australian Department of Education. (2019). *KindiLink*. <https://www.education.wa.edu.au/kindilink>
- Whitaker, R. C., Dearth-Wesley, T., & Gooze, R. A. (2015). Workplace stress and the quality of teacher–children relationships in Head Start. *Early Childhood Research Quarterly*, 30, 57–69. <https://doi.org/10.1016/j.ecresq.2014.08.008>

Wood, D. (2022, September 1). *Think big: a new mission statement for Australia*. Grattan Institute.
<https://grattan.edu.au/news/think-big-a-new-mission-statement-for-australia/>