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A path to universal early  
childhood and education  
and care

**ENQUIRIES**

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## A. INTRODUCTION AND EXECUTIVE SUMMARY

La Trobe University welcomes the opportunity to respond to this Inquiry and broadly welcomes the Productivity Commission's draft report (the report) recommendations and findings. La Trobe has also contributed to the Capacity Study currently being conducted by Jobs and Skills Australia into Early Childhood Education and Care (ECEC).

As the report outlines, a key challenge in the early childhood education and care sector is workforce shortage and retention. We concur with the report's finding that "Availability (for ECEC services) can only improve if workforce challenges are resolved." **As a significant provider of Early Childhood Education across Victoria, particularly in regional and rural areas, La Trobe is keen to work with federal and state governments to prepare the future early childhood education workforce, implement models that increase retention and offer pathways for the upskilling and reskilling of educators.**

Our Bachelor of Early Childhood Education is offered primarily online thus addressing one of the key issues impacting sector workers who find it difficult to combine work with further study. Over 440 Diploma-qualified educators are currently enrolled in this course, with 30 per cent of these students residing and working in regional areas. In addition, within the School of Education's Bachelor of Education undergraduate course, students can elect to undertake an Early Childhood and Primary major, providing a pathway to work as an Early Childhood Teacher upon graduation. This course is offered across La Trobe's five campuses, four of which are located in regional Victoria.

La Trobe is also at the forefront of devising models that improve the likelihood of completion of early childhood education as well as eventual retention in the workforce. Funded by the Victorian State Government and facilitated through La Trobe University in regional Victoria, the Early Childhood Professional Practice Partnership (ECP3) project aims to place preservice teachers in high-quality, supported early childhood placements. This has often led to students being offered casual or part-time employment during and upon completing their placements, facilitating a smooth transition into the workforce.

**Addressing ECEC availability and building the right workforce is a priority in its own right. It should however also be seen within the context of the Government's aims to lift education outcomes across the board including at primary and secondary level as well as lifting higher education participation and attainment. In addition, La Trobe concurs with the PC's finding that more research is required into early childhood education and care. This is why we are currently seeking support for the establishment of a National Centre for Education Excellence that would serve as a pivotal hub of innovation and transformation in the educational landscape dedicated to translating longitudinal evidence-based research into cutting-edge teaching and learning practices from early childhood to higher education.**

Section B of this submission provides further commentary on the Draft Report's findings, recommendations and requests for more information. Further information about any of the issues raised in our submission can be provided upon request. We look forward to working with the PC towards improved evidence-based outcomes in Early Childhood Education and Care while continuing to prepare the future Early Childhood workforce.

## B. LA TROBE'S RESPONSE TO SELECT DRAFT FINDINGS, RECOMMENDATIONS AND INFORMATION REQUESTS

PRODUCTIVITY COMMISSION'S RECOMMENDATIONS AND FINDINGS	LA TROBE RESPONSE
<b>ECEC is positive for many children but those who would benefit the most are least likely to attend</b>	
<p><b>Draft finding: All children aged 0–5 years should be able to attend up to 30 hours or three days of quality ECEC a week for 48 weeks per year</b></p> <p>Up to 30 hours or three days a week of quality ECEC should be available to all children aged 0–5 years whose families choose to use ECEC. Meeting this benchmark, along with improved affordability, inclusion and flexibility, would enable universal access to ECEC. <b>[Draft finding 5.1]</b></p>	<p>La Trobe strongly supports this finding. However, such an expansion would need to be carefully planned for by governments since it will require an increase in the number of educators. As outlined in the Introduction, La Trobe's <a href="#"><u>Bachelor of Early Childhood Education</u></a> is offered primarily online thus addressing one of the key issues impacting sector workers who find it difficult to combine work with further study. La Trobe looks forward to opportunities to work with the PC and the Government to help skill more early childhood educators, which is the pre-requisite for expanding ECEC entitlement.</p> <p>In addition to an increase in educators, the issue of access (for instance for those in regional and remote areas) needs to be addressed. Availability gaps will have to be tackled to work towards universal access.</p>
<p><b>Draft finding: ECEC availability varies markedly around the country</b></p> <p>ECEC availability tends to be poorer in regional and remote areas and in communities experiencing higher levels of socio-economic disadvantage. It is unclear whether this reflects a lack of local demand for ECEC, viability concerns that cause providers to decide against establishing services or both. Only 8% of children aged 0–5 live in communities with sufficient centre-based day care places to support access to 30 hours or three days of ECEC a week. Provision of preschool places by state and territory governments improves the broader picture for availability. However, these places only increase availability for some children aged three and over, and dedicated preschools often have more limited days of operation and / or shorter session lengths than centre-based day care. <b>[Draft finding 5.3]</b></p>	<p>La Trobe concurs with this finding. Studies have shown that “there is less availability of ECEC in low-SES areas in Australia, and these programs provide a lower average quality of care than in more advantaged neighborhoods”<sup>1</sup>. The gap between regional and metropolitan availability in ECEC availability reflects the gaps in other services spanning from the education sector (e.g. harder to access tertiary education) and the health sector (sub-optimal access to healthcare). It is an issue which is broader than ECEC.</p> <p>Arguably, however, addressing ECEC availability could have a ripple long-term effect on other areas such as lower participation and attainment in tertiary education. As La Trobe argued in its submission to the <a href="#"><u>Australian Universities Accord Interim Report</u></a>, our experience as a university with a strong footprint in regional Victoria, is that it is essential to identify disadvantage and the reasons for lower participation and</p>

<sup>1</sup> Cloney et al. (2015) Early Education and Development 10.1080/10409289.2015.1076674

	attainment among regional and /or remote students at earlier stages than university, namely in the early learning and school settings.
<p><b>Draft finding: Recent changes to the CCS and ongoing demand from parents will further support increases in supply in some regions; but in other areas, more support will be needed</b></p> <p>Many regional and remote areas are ‘thin markets’ – where the costs of delivering services are higher than families are able or willing to pay and non-government providers have limited incentive to establish services. If the <u>activity test</u> were relaxed and affordability improved for lower income families (<b>draft recommendation 6.2</b>), demand for ECEC will increase in some areas to the point where services are viable without further government support and supply will expand through market dynamics. Lower socio-economic areas with larger populations (including on the urban fringe), likely have this characteristic.</p> <p>In other markets, prospective providers may still be reluctant to invest, perhaps due to higher costs and the challenges of recruiting and retaining educators and teachers. Supply-side funding programs will be needed to boost provision to achieve an entitlement to up to 30 hours or three days a week of quality ECEC for all children aged 0–5 years whose families choose to use ECEC. <b>[Draft finding 5.4]</b></p>	<p>La Trobe supports the finding that the activity test needs to be relaxed and this should happen straightaway.</p> <p>La Trobe strongly supports the changes made to the activity test for participation in ECEC for Aboriginal and Torres Strait Islander children. From 10 July 2023, the number of subsidised ECEC hours that these children can receive increased to 36 hours per fortnight, regardless of activity level. We recommend expanding this further and increasing the number of subsidised hours for lower income families. Lower-income families are more likely to have unsubsidised ECEC hours.</p> <p>In terms of the subsidy rates, while the recent changes to the subsidy rates are a step in the right direction, further revisions are necessary in particular to increase access and support for low-income families.</p>
<p><b>Draft finding: Family day care can be an effective solution to addressing thin markets</b></p> <p>Family day care can be part of the solution to ensuring that families have access to ECEC in markets where there might be low and / or variable demand. Integrity concerns have been raised in the past and this has limited expansion of family day care in recent years. The Commission notes the Australian Government Department of Education is working to support the use of family day care while satisfying probity and integrity expectations. <b>[Draft finding 5.5]</b></p>	<p>La Trobe does not agree with this recommendation.</p> <p>Family day care educators currently require a Cert III qualification. Moreover, Family Day Care cannot be used to deliver kindergarten/pre-school programs where a qualified Early Childhood Teacher is required. This means that if Family Day Care is used to address the gap in availability, families could be left without ECEC once their child is three or four years old and when they could be benefitting from three-year old and four-year old kinder.</p>
<p><b>Draft recommendation: Support universal access in persistently thin markets via supply-side funding</b></p> <p>To ensure that up to 30 hours or three days a week of quality ECEC is available for all children aged 0–5 years whose families wish for them to participate, the Australian Government should provide additional support in markets where it is clear that ECEC providers are unlikely to invest, even with the changes recommended in this inquiry. <b>[Draft Recommendation 5.1]</b></p>	<p>La Trobe supports these findings and recommendations but in reality, availability can only improve once the workforce challenges are addressed, especially in regional, rural and remote communities.</p>

<b>Availability can only improve if workforce challenges are resolved</b>	
<p><b>Draft finding: Expected wage increases may relieve recruitment and retention challenges</b></p> <p>The pay and conditions offered to the ECEC workforce – long at the heart of recruitment and retention challenges – may be addressed through processes arising out of recent changes to the Fair Work Act 2009 (Cth), including approval from the Fair Work Commission for a significant number of employers in the sector to commence supported multi-employer bargaining. Any increase in wages <u>will need to be funded by families or governments</u>, or a combination of both. It is a decision for governments whether funding a wage increase for ECEC workers is a <u>priority use of public funds</u>. <b>[Draft finding 3.1]</b></p>	<p>It is our view that a wage increase for ECEC workers is a priority use of public funds.</p> <p>However, La Trobe <u>strongly discourages</u> any further increases in the cost to families. Increasing the cost for families would only widen the access gap – particularly in for-profit settings. This is a cost that should be borne and funded by the Government. The Australian Government consistently spends below the OECD average of GDP on Early Childhood Education. This should be increased to at least the average OECD level<sup>2</sup>.</p> <p>As La Trobe argued in its response to the ongoing Jobs and Skills Australia Early Childhood Education and Care Capacity Study, Governments should commit to improved and consistent pay and work conditions/guidelines led by Federal legislation in partnership with all Australian governments (and streamlined funding responsibilities).</p>
<p><b>Draft finding: Accelerated qualifications will help lift early childhood teacher numbers</b></p> <p>With demand for early childhood teachers (ECTs) set to remain high, <u>accelerated pathways</u> that allow diploma-qualified educators to obtain an early childhood teaching qualification in a reduced time frame will have an important role to play in growing the pool of ECTs. Such programs address some of the more significant barriers that diploma-qualified educators face when upskilling their qualifications by ensuring that their prior qualifications translate into reduced study time, and by reducing the financial and time commitments that educators face in order to undertake further study. <b>[Draft finding 3.2]</b></p>	<p>While La Trobe supports the provision and availability of accelerated pathways, adequate practical and academic supports must be in place to ensure that students can be successful when engaging in accelerated programs. This is particularly important when students are working and studying at the same time. Such support could include paid placements and/or allowing students to complete placements in their current workplace.</p> <p>La Trobe supports increased opportunities for diploma-qualified educators to upskill their qualifications. While this will not increase the overall pool of workers, it does increase the number of degree-qualified teachers, which addresses one area of shortage. In parallel, it is essential to attract more workers/new entrants to the sector and to increase retention. A possible solution could be the introduction of a subsidised 1-year Graduate Diploma courses for university graduates currently outside of the ECEC sector.</p>
<p><b>Draft finding: Completion rates for early childhood teaching qualifications have fallen</b></p>	<p>As outlined in the draft finding, wrap-around support is essential for students who are upskilling. Employers should accept responsibility for providing effective mentoring</p>

<sup>2</sup> [https://www.oecd.org/els/soc/PF3\\_1\\_Public\\_spending\\_on\\_childcare\\_and\\_early\\_education.pdf](https://www.oecd.org/els/soc/PF3_1_Public_spending_on_childcare_and_early_education.pdf)

<p>Completion rates for domestic students who commenced early childhood teaching qualifications in the mid-2010s are much lower than those for students who enrolled a decade earlier.</p> <p>Only 48% of domestic students who started an early childhood teaching degree in 2016 had graduated by the end of 2022. It is likely that educators seeking to upskill constitute a reasonable proportion of those who do not complete their studies.</p> <p>This points to the value of wrap-around supports to assist aspiring educators who are studying to become early childhood teachers. <b>[Draft finding 3.3]</b></p>	<p>from qualified mentors for all employees who are upskilling to Diploma and Bachelor degrees. This would reduce attrition and increase completion rates.</p> <p>Another measure that would help is to allow educators to complete placements in their workplace (where this is not currently possible). This would enable them to continue to earn an income and place less staffing pressure on their employers as long as their responsibilities as pre-service teachers are protected while completing placements in their workplace.</p> <p>When analysing completion rates, the following issues need to be taken into account:</p> <ul style="list-style-type: none"> <li>- The impact of the COVID-19 pandemic. There is still a perception among ECEC educators of being undervalued after COVID, particularly in the childcare sector. To date, there has been no acknowledgment or recognition of the workforce value with research showing that childcare educators (childcare remained available while schools and pre-schools moved to online learning) were heavily impacted during the COVID period with limited government support.</li> <li>- The impact of sub-optimal working conditions including educator burnout, low wages and low profession status and the increasingly complex needs of children, families and communities.</li> </ul> <p>As outlined in the Introduction, La Trobe is also at the forefront of devising models that improve the likelihood of completion of early childhood education as well as eventual retention in the workforce. Funded by the Victorian State Government and facilitated through La Trobe University in regional Victoria, the <b>Early Childhood Professional Practice Partnership (ECP3)</b> project aims to place preservice teachers in high-quality, supported early childhood placements. This has often led to students being offered casual or part-time employment during and upon completing their placements, facilitating a smooth transition into the workforce.</p> <p><i>Further information about this project can be provided to the PC upon request.</i></p>
<p><b>Draft finding: Unpaid professional experience requirements are a barrier to upskilling</b></p> <p>The requirement to undertake supervised professional experience as part of teaching qualifications presents a significant barrier to some educators upskilling to become early childhood teachers, especially where this professional experience is unpaid. Many cannot afford to go without income while completing placements, and placements that involve travelling long distances and staying away from home create additional challenges for educators from remote and regional areas. <b>[Draft finding 3.4]</b></p>	<p>La Trobe strongly agrees and recommends the introduction of paid placements and wrap-around support. This is particularly important in view of the fact that the majority of the workforce is women, most of whom have primary carer responsibilities).</p> <p>It is worth noting that the 2023 <a href="#">Employment White Paper</a> acknowledged the challenges associated with the cost of placements as a widespread issue in the economy (not just in the ECEC sector).</p>

<p><b>Draft recommendation: Reduce barriers to educator upskilling</b></p> <p>To improve pathways for educators seeking to upskill to become early childhood teachers (ECTs), the Australian and state and territory governments should:</p> <ul style="list-style-type: none"> <li>-work with universities and the ECEC sector to develop and promote accelerated degree programs for upskilling diploma-qualified educators to ECTs</li> <li>- expand wraparound supports to educators who are undertaking university-level qualifications to become ECTs. Supports could include assistance to navigate enrolment processes, assistance to build academic skills, and regular mentoring. These initiatives should be underpinned by <u>robust monitoring and evaluation</u></li> <li>-provide financial support to ECEC services so they can provide a reasonable amount of <u>paid leave</u> to educators for them to complete supervised professional experience requirements associated with completing early childhood qualifications.</li> </ul>	<p>La Trobe supports this recommendation but considers that clarity is required regarding:</p> <ul style="list-style-type: none"> <li>- “Robust monitoring and evaluation” – It would be useful to have more clarity on who will be in charge of the mentoring as well as ensuring that access to robust mentoring is equitable across regional and remote areas. Within current settings, universities do not have the resources to support the level of mentoring that is required.</li> <li>- “Paid leave” – Clarity is required on what leave is being referred to here and who will fund this leave.</li> </ul> <p>As outlined in previous responses, allowing students to complete placement requirements in their workplace would be of benefit to both the students and the employers providing their responsibilities as pre-service teachers are protected while completing placements in their workplace.</p>
<p><b>Draft finding: Innovative pathways could lift enrolments in early childhood teaching qualifications</b></p> <p>The conventional approach to training early childhood teachers suits a wide range of students. But innovative approaches that provide alternative pathways to qualification might work better for others. Risks in trialling new approaches can discourage universities from experimenting. <b>[Draft finding 3.5]</b></p>	<p>La Trobe agrees with this finding and proposes the following options to lift enrolments in early childhood teaching qualifications:</p> <ul style="list-style-type: none"> <li>- Fully online courses offered after working hours</li> <li>- shorter modules across the year rather than long semesters so educators can see progress and take short periods of leave where needed</li> <li>- flexible dates for placements and placements in the current workplace</li> <li>- Recognition of Prior Learning (RPL) for placements based on students' concurrent employment in the sector</li> <li>- Intensive modes of study.</li> </ul> <p>La Trobe also agrees with the finding that “risks in trialling new approaches can discourage universities from experimenting”. Such risks include the expense of setting up new courses, attracting enrolments as well as existing resistance to the idea of being able to become a qualified teacher in a single year (even for students with prior degree in any discipline area except ECEC).</p>

<p><b>Draft recommendation: Support innovative delivery of teaching qualifications</b></p> <p>Governments should provide <u>modest</u> financial incentives to universities to facilitate trials of innovative approaches for providing Initial Teacher Education to early childhood teachers. The Australian Children’s Education and Care Quality Authority (ACECQA) should work with governments and universities to develop pathways for early childhood teaching qualifications that are awarded through innovative teaching approaches to be recognised under the National Quality Framework. <b>[Draft recommendation 3.2]</b></p>	<p>La Trobe supports this recommendation but it is hard to know what ‘modest’ amounts to. In order to provide adequate mentoring, ensuring quality and meeting demand, adequate funding will be required.</p> <p>La Trobe recommends a collaborative approach with governments, universities, ACECQA and the ECEC sector working together. Sub-optimal funding will only lead to poor results and further reinforce the perception that the sector is a low priority for governments.</p>
<p><b>Draft finding: Inter-jurisdictional differences in teacher registration impose unnecessary workforce barriers</b></p> <p>Teacher registration offers considerable benefits for early childhood teachers (ECTs) in the form of professional recognition, development opportunities and access to networks of peers and mentors. Inconsistent teacher registration requirements for ECTs across jurisdictions are problematic. They limit the work opportunities for ECTs who move across jurisdictions, to the detriment of their careers, and reduce the number of ECTs that are available to services to employ. <b>[Draft Finding 3.6]</b></p>	<p>La Trobe strongly supports this recommendation. Streamlined ECTs registration requirements across states and territories would enable greater mobility in the workforce. We recommend a national system of teacher registration including ECTs.</p>
<p><b>Draft recommendation: Improve registration arrangements for early childhood teachers</b></p> <p>State and territory governments should amend their teacher registration arrangements so that:</p> <ul style="list-style-type: none"> <li>-early childhood teachers (ECTs) working in National Quality Framework-approved ECEC settings can be registered with the teacher registration body in their jurisdiction</li> <li>-any ECT-level qualification that has been approved by the Australian Children’s Education and Care Quality Authority (ACECQA) for recognition under the National Quality Framework should be automatically recognised as meeting qualification requirements associated with teacher registration.</li> </ul> <p>In undertaking these actions, state and territory governments should also:</p> <ul style="list-style-type: none"> <li>-review their teacher registration arrangements to ensure that there are accessible pathways for ECTs with an ACECQA-approved qualification to teach in primary school (including after they undertake additional study focussing on teaching in primary school settings)</li> </ul>	<p>La Trobe recommends the removal of ‘provisional’ registration. De-registering qualified teachers who cannot meet the project requirements in time (usually due to current staffing challenges and general teacher burnout) is counterproductive. Those who have completed an ECT degree should be regarded as fully-qualified teachers and eligible for teacher registration.</p> <p>While La Trobe supports the availability of pathways for ECTs with an ACECQA-approved qualification to teach in primary schools, it is important to note that this will probably result in a loss of qualified ECTs to the primary sector where pay and working conditions are better. A better approach would be to improve conditions for ECTs.</p>

<p>-review their arrangements concerning highly accomplished and lead teachers (HALT) certification (in relevant jurisdictions) and act on opportunities to make it more accessible for ECTs. As part of reviewing these arrangements, governments should issue guidance on the eligibility of ECTs for HALT certification, the process through which ECTs can seek HALT certification (including in nongovernment operated ECEC settings), and the implications for ECTs if certification is achieved. <b>[Draft recommendation 3.3]</b></p>	
<p><b>Draft recommendation: Lift support and mentoring for new early childhood teachers</b></p> <p>State and territory governments should develop structured mentoring and support programs for new early childhood teachers if they do not already have these in place. In developing these programs, state and territory governments should reflect the findings of the research underway by the Australian Education Research Organisation (AERO) on the effectiveness of existing support programs.</p> <p>Jurisdictions that already operate programs to support and mentor new ECTs should review their programs to incorporate the findings from AERO’s research once this is finalised. <b>[Draft recommendation 3.4]</b></p>	<p>La Trobe fully supports this recommendation.</p> <ul style="list-style-type: none"> <li>- Wrap-around support is very important for new teachers and/or those transitioning to new roles e.g., educational leader or supervisor.</li> <li>- It is also crucial to ensure mentoring support for Pre-service teachers who are undertaking a placement.</li> <li>- Stronger support is required for ‘Permission to teach’ completion, similar to supports for primary and secondary school teachers</li> </ul>
<p><b>Draft finding: The ECEC workforce faces barriers to professional development</b></p> <p>Take-up of professional development opportunities by the ECEC workforce is relatively widespread. But the workforce still faces several significant barriers to accessing professional development, including difficulty getting time off work and the cost of professional development activities. Costs to employers of backfilling positions while staff undertake professional development can also be an impediment. Some governments have begun to provide support to overcome these barriers. <b>[Draft finding 3.7]</b></p>	<p>Victoria's School Readiness Funding (SRF) is well utilised for Professional Development (PD) by many services. Despite its usefulness, some educators report burnout due to attending PD after hours, which is an inequity as primary and secondary teachers can undertake PD during their normal working hours. SRF is sometimes also an inequitable way of accessing PD as two services in the same region can receive significantly different amounts of funding. At times, funding cannot be used due to staff shortages.</p> <p>La Trobe fully supports the recommendation for governments to provide support to overcome existing barriers to professional development. However, the pool of casuals/agency staff is so low that it will still be very challenging to fill in certain jurisdictions.</p>
<p><b>Draft recommendation: Contribute to professional development for the ECEC workforce</b></p> <p>The Australian and state and territory governments should provide support for the ECEC workforce to undertake professional development activities. This should take the form of a contribution towards the cost of professional development.</p>	<p>La Trobe supports this recommendation. One option that could be considered is closing ECEC centres for two days a year to enable all staff to attend professional development (similar to the practise in schools). PD opportunities should be available within working hours. There is also an opportunity for development of shared communities of practice between different services.</p>

<p>Government contributions to professional development should be targeted toward activities that will improve the quality and inclusivity of ECEC practices, including activities that build staff capability to: remain up to date with the latest pedagogical research and how to apply this in their teaching; understand and apply the National Quality Standard and the national approved learning frameworks; deliver more inclusive ECEC, including for children with disability, developmental delay or additional needs, children who have experienced trauma and Aboriginal and Torres Strait Islander children, particularly those attending in mainstream settings; work with families – including families in complex or challenging situations – to engage with and participate in ECEC. <b>[Draft recommendation 3.6]</b></p>	
<p><b>Affordability and complexity should not be barriers to ECEC access</b></p>	
<p>Draft finding: Broadbased CCS changes would make ECEC more affordable for all families but come at a substantial cost to taxpayers</p> <p>Broad-based changes to the Child Care Subsidy (CCS) would reduce out-of-pocket expenses for all families and support larger increases in labour force participation – but come at a substantial cost to taxpayers.</p> <p>For example, if in addition to relaxing the activity test and increasing the CCS rate for lower income families, the Australian Government were to extend a subsidy rate of 90% of the fee, up to the hourly rate cap, to all families for three days of ECEC a week, it is estimated that this would increase: total hours of ECEC demanded by 21%; hours of work by single parents and secondary earners in couple families with young children by 5.7% (or the equivalent of 34,900 fulltime workers); Australian Government outlays on the CCS by 53% or \$6.8 billion per year.</p> <p>Preliminary modelling results show that policy options extending the 90% subsidy rate to all ECEC users or introducing a flat fee of \$10 a day have similar implications for labour force participation, demand for ECEC and net costs to government.</p> <p>These options are more costly than a policy option that includes relaxing the activity test and increasing subsidy rates for lower income families. In addition, a disproportionate share of the increased government support would go to high income</p>	<p>While acknowledging the cost to taxpayers, La Trobe supports more generous subsidy rates for lower-income families.</p>

<p>families – rather than to those experiencing disadvantage, who are most likely to benefit from greater access to ECEC. <b>[Draft finding 6.4]</b></p>	
<p><b>Draft recommendation: Modify the Child Care Subsidy to improve affordability and access</b></p> <p>The Australian Government should modify the Child Care Subsidy to allow: all families to access up to 30 hours or three days of subsidised care per week without an activity requirement; families with annual income at or below \$80,000 should be eligible for a subsidy rate of 100% of the fee, up to the hourly rate cap. In addition, the Australian Government should review the hourly rate cap associated with the Child Care Subsidy, and set a new cap based on the average efficient costs of providing early childhood education and care services. This should include consideration of a higher hourly rate cap for non-standard hours (draft recommendation 7.3). The hourly rate cap should be reviewed every three years to ensure it continues to reflect costs (in conjunction with other work mentioned in draft recommendation 6.1). In between these reviews, the hourly rate cap should be indexed at a rate that best reflects changes in the costs of provision such as wage indices or CPI. <b>[Draft recommendation 6.2]</b></p>	<p>La Trobe agrees with this recommendation.</p>
<p><b>Draft recommendation: Monitor rises in fees and out-of-pocket expenses</b></p> <p>The Australian Government should monitor changes in fees and out-of-pocket expenses on a regular basis to identify services where movements are out of step with sector norms. Increases that vary markedly should prompt closer investigation, and a regulatory response should be considered if they are not reasonable. To inform judgements about what reasonable increases might look like, the Australian Government should commission a detailed investigation of costs and profits across the sector every three years, along the lines of the work that the Australian Competition and Consumer Commission has been undertaking. This work would also signal if the hourly rate cap needed to be reset. <b>[Draft recommendation 6.1]</b></p>	<p>La Trobe supports this recommendation. For instance, the introduction of more generous Child Care Subsidy Rates in 2023, simply prompted the majority of providers to increase their daily fees meaning that families were no better off. Given the lack of ECEC availability, families are hardly in a position where they can ‘shop around’ for more affordable options. Usually they have no option but to accept the increase in price or else reduce the days of care. If they reduce the days of care, primary carers (usually women) have to reduce their working hours – thus perpetuating the endless cycle of women being forced into a position where they earn less over the course of their working lives and retire with less superannuation.</p> <p>This is an issue which impacts all families whether they are low or high income.</p>
<p><b>Draft finding: Complex ECEC subsidy arrangements can be a barrier to access for some families</b></p> <p>The information available to families when they are working out their Child Care Subsidy entitlement can be confusing and create substantial uncertainty as to their entitlements. Navigating this complexity can be much more difficult for those with low levels of English and / or computer literacy. For some families, this level of complexity</p>	<p>La Trobe strongly agrees with this recommendation. The arrangements are incredibly complex especially when federal CCS arrangements are combined with state initiatives such as ‘free kinder’ in Victoria. Families are usually bombarded by letters from Centrelink (each only accessible via MyGov) making the process very hard to navigate and keep track of. Whenever an issue arises (such as an unexpected change in CCS rates and an increase in out-of-pocket fees), childcare centres are unable to provide</p>

<p>creates a substantial barrier to ECEC access, and in some cases, means they choose not to access ECEC. [Draft finding 6.2]</p>	<p>assistance to the families with the only option offered being to “call Centrelink”. Waiting times when calling the Family Support Centrelink number are very long.</p>
<p><b>Draft recommendation: Make information about CCS eligibility easy to find and understand</b></p> <p>The Australian Government should explore options to make information provided on government websites about CCS eligibility easy to find and easy to understand by families. [Draft recommendation 6.3]</p>	<p>La Trobe strongly supports this recommendation. Government should act on this with no further delay.</p>
<p>Draft recommendation: Improve the CCS calculator on the Starting Blocks website</p> <p>The Australian Government should improve the functionality of the Child Care Subsidy calculator on the Starting Blocks website so that families can estimate their Child Care Subsidy eligibility under different scenarios (such as different working hours or income levels). The Australian Government should investigate the best way to improve awareness of the availability of the CCS calculator on the Starting Blocks website. <b>[Draft recommendation 6.4]</b></p>	<p>La Trobe supports this recommendation. This already exists for child support so the same working model could be applied.</p>
<p>Draft recommendation: Prompt families to update their details with Services Australia</p> <p>The Australian Government should use Single Touch Payroll information from the Australian Tax Office to prompt families to update their activity and income level details with Services Australia. <b>[Draft recommendation 6.5]</b></p>	<p>La Trobe strongly supports this recommendation. Busy families can easily overlook updating their activity and income and the debts incurred when this happens can be significant. The income estimate is very problematic - especially if working casually or on a commission- based pay structure. This means it is virtually impossible for workers to know for sure what they will earn. Many families over-estimate what they will earn to avoid a Centrelink debt but this means that they receive less support from week to week.</p> <p>Could the ECEC service play a part in supporting regular updates? Could it be linked to the taxation system in a quarterly way, rather than annually at tax time?</p>
<p><b>Draft finding: Increased inclusion support funding will be needed for universal access</b></p> <p>Increased funding will be required for the Inclusion Support Program to ensure children with additional needs are adequately supported and included in ECEC. At a minimum, funding should be sufficient to:</p> <p>enable Inclusion Agencies and the Inclusion Development Fund Manager to respond to all applications in a timely manner; enable Inclusion Agencies to provide adequate support and advice to services; ensure services can manage the increased demand</p>	<p>La Trobe agrees with this recommendation. The proposed changes to the National Disability Insurance Scheme (NDIS) could lead to further exclusion of children with certain diagnoses and this needs to be avoided.</p>

<p>likely to result from adoption of the Commission’s recommendations. <b>[Draft finding 2.5]</b></p>	
<p><b>Draft recommendation: Amend eligibility requirements for inclusion funding</b></p> <p>The Australian Government Department of Education should work with Inclusion Agencies to communicate documentary requirements for receipt of Inclusion Support Program funding more clearly to services, including the eligibility of children without a formal diagnosis. Evidence a child has additional needs other than disability should be accepted in all circumstances for services seeking to access the Inclusion Development Fund Subsidy for an Additional Educator and the Family Day Care Top Up.</p> <p>Increasing the funding allocated to the ISP (draft finding 2.5) will ensure children have adequate support, regardless of a diagnosis. <b>[Draft recommendation 2.3]</b></p>	<p>La Trobe strongly supports this recommendation and submits that lack of recognition of existing educators’ capabilities is a major factor in staff retention.</p> <p>In some ways, the NDIS has reduced the amount of support in services - and the integrated model of Early Intervention when different specialties worked together collaboratively with one family. Undiagnosed children should be supported - ECTs have enormous professional knowledge that should be respected and sufficient for funding.</p>
<p><b>Draft recommendation: Review and amend additional educator subsidies</b></p> <p>The Australian Government should amend the Inclusion Development Fund Subsidy for an Additional Educator and Immediate/Time-Limited support, including:</p> <ul style="list-style-type: none"> <li>- increasing the current hourly subsidy rate so that it subsidises 100% of an additional educator’s wage, up to the median hourly wage of a <u>certificate III qualified educator</u> and ensuring it is indexed to the Wage Price Index;</li> <li>-removing limits on the weekly hours the subsidies can be approved for and ensuring they align with the child’s enrolled hours;</li> <li><u>-allowing other human-services qualified staff and inclusion professionals, such as allied health or other relevant professionals to be employed as an additional educator, where the Inclusion Agency agrees this would be appropriate.</u> <b>[Draft recommendation 2.4]</b></li> </ul>	<ul style="list-style-type: none"> <li>- La Trobe agrees with this recommendation. However, the educator’s wage should be subsidised based on their qualification level (including diplomas) not just at the level of a certificate III qualified educator.</li> <li>- La Trobe agrees with this recommendation. In Victoria, this works quite well through the Kinder Inclusion Support (KIS) program.</li> </ul>
<p><b>ECEC is critical to the wellbeing of families</b></p>	
<p><b>Draft finding: Mothers’ participation in the labour force has increased markedly</b></p>	<p>La Trobe recommends using the term ‘primary care givers’. The language used must be inclusive and reflective of contemporary families. Different types of family need to be treated equitably in terms of financial incentivisation.</p>

<p>The labour force participation rate of mothers (with a child aged under 15) increased from 67% to 75% over the decade to 2021 – mostly due to an increase in the participation of mothers with a child aged 0–4 years.</p> <p>Fulltime employment among mothers is on the rise, but the parttime employment rate of Australian mothers is still higher than most OECD countries. High rates of part-time work are a feature of the Australian labour market and evidence suggests that preferences are a significant factor in mothers’ decisions to work part time. <b>[Draft finding 4.2]</b></p>	
<p><b>ECEC Services should be flexible and responsive to the needs of families</b></p>	
<p><b>Draft finding: ECEC services cater to many children and families, but some families need additional support</b></p> <p>While the current system caters for many families, others may require or prefer different approaches to meet their needs or address barriers to access, and some may require additional support beyond ECEC.</p> <p>Integrated services can support children and families experiencing vulnerability or requiring services beyond ECEC. Initiatives that create the ‘connection function’ that links ECEC services with other child and family services, such as health and family supports, can also overcome the siloing of services, providing more effective support to families. <b>[Draft finding 7.1]</b></p>	<p>La Trobe strongly supports integrated services and hubs, especially in areas of high need.</p>
<p><b>Draft recommendation: Ensure integrated services are available where needed</b></p> <p>An ECEC Commission (draft recommendation 9.2) should be responsible for advising governments on the need for integrated early years services involving ECEC and the communities in which they are needed. [Draft recommendation 7.1]</p>	<p>La Trobe endorses the recommendation for an ECEC Commission to advise government about the need for integrated services. If established, the ECEC Commission could immediately draw upon existing research<sup>3</sup> on integrated services which should be located in communities where they are most needed. Such services need to be adequately staffed and able to cater for demand especially in regional, rural and remote areas.</p>
<p><b>Draft finding: Playgroups are a valuable part of the early years system</b></p>	<p>La Trobe supports this recommendation, including playgroups catering for culturally and linguistically diverse communities.</p>

<p>While outside of the formal ECEC system, playgroups play a valuable role in supporting families and children in their early years. An ECEC Commission (draft recommendation 9.2) should consider a community’s preference for a playgroup when assessing ECEC availability. <b>[Draft finding 7.2]</b></p>	
<p><b>Draft recommendation: Ensure occasional care is available where needed</b></p> <p>An ECEC Commission (draft recommendation 9.2) should be responsible for advising on the need for additional investments in occasional care and the communities in which these services are needed. Where additional investments are required, funding should be available through a more flexible Community Childcare Fund. [Draft recommendation 7.5]</p>	<p>La Trobe supports this recommendation. Occasional care, which is often requested but not readily available for families, hinges upon the availability of ECTs and educators. Again, it will only be possible if workforce shortages are addressed.</p>
<p><b>Draft finding: Dedicated preschools have difficulty providing additional subsidised hours of ECEC</b></p> <p>The 15 hours per week of preschool provided under the Preschool Reform Agreement do not align with a standard work week. For families accessing dedicated preschools, this may mean they need to supplement preschool hours with additional ECEC to support their labour force participation. Dedicated preschools are not prohibited from offering additional hours of ECEC, or from facilitating access to a separate outside preschool hours service either on or off site. But provisions in Family Assistance Law make it hard for these types of activities to attract the Childcare Subsidy. <b>[Draft finding 7.6]</b></p>	<p>Same as above</p>
<p><b>Many Aboriginal and Torres Strait Islander families prefer Aboriginal Community Controlled Organisations</b></p>	
<p><b>Draft finding: It is unclear if the National Quality Framework adequately promotes cultural safety and capability</b></p> <p>Cultural safety is critical to Aboriginal and Torres Strait Islander families and children. While Aboriginal Community Controlled Organisations may often be the first preference of Aboriginal and Torres Strait Islander children and families when accessing ECEC, there is also a need to ensure mainstream ECEC services are inclusive of Aboriginal and Torres Strait Islander children and families. The National Quality Framework sets</p>	<p>La Trobe does not agree with this finding. Rather than being ‘unclear’, it is very clear that changes are required to the National Quality Framework (NQF) to reflect cultural safety and capability. The NQF should be updated on the basis on information coming directly from Aboriginal and Torres Strait Islander peoples.</p>

<p>expectations around inclusion and cultural responsiveness. Revised versions of the national approved learning frameworks, released in 2023, include a strengthened focus on Aboriginal and Torres Strait Islander perspectives. It is unclear whether further changes to the National Quality Framework are needed to promote cultural safety and capability. [Draft finding 2.4]</p>	
<p><b>Quality is paramount to achieving the benefits of ECEC</b></p>	
<p><b>Draft recommendation: State and territory regulatory authorities should improve their performance reporting</b></p> <p>To improve the transparency of the ECEC regulatory system, all regulatory authorities should publish an annual report detailing progress against key objectives, including metrics on the number of assessments performed, average time between assessments, funding and other monitoring, compliance and enforcement activities. [Draft recommendation 8.1].</p>	<p>The timing between ECEC quality assessments can vary widely. Consistency, and not necessarily a shortened timeframe, should be a priority. Services require time to address any recommendations, translate this into their Quality Improvement Plan (QIP), and then make changes.</p>
<p><b>Draft recommendation: Incentivise quality provision in new ECEC services</b></p> <p>State and territory regulatory authorities should be required to consider the performance of a provider's existing services when making decisions on an application to approve new services from that provider, and prioritise new service approvals from higher rated providers over those with lower existing service ratings. <b>[Draft recommendation 8.4]</b></p>	<p>La Trobe strongly agrees. The increase in demand for services is huge and the rapid expansion has meant that quality and resources can be compromised.</p>
<p><b>Draft finding: Families tend not to use information about service ratings</b></p> <p>Families are usually unaware of or do not value ratings against the National Quality Standard when choosing between ECEC services, preferring other indicators of quality. Families would benefit from more detailed, accessible information on service ratings. [Draft finding 8.2]</p>	<p>La Trobe agrees with this recommendation. More thought is required to refine the 'Assessment and Rating' (AR) process. It should be an innovative process that recognises the complexities of context and quality. AR should be an opportunity for growth and development rather than a label. Other factors to consider are whether AR approaches are equitable and consistent across stand-alone, early-learning centres and family-day care providers. Different awards and working conditions may vary considerably and impact the ratings.</p>

	In terms of families' use of ratings, families are usually not in a position to pick and choose and can only pick the centre which has availability for the days of care that they require.
<p><b>Draft finding: Improving components of the funding model would support universal access</b></p> <p>The architecture of the current ECEC funding model provides a baseline mechanism to support families to access ECEC, with additional, targeted interventions to address cost barriers, provide additional support for inclusion needs and to establish services in regional and remote markets. Reforms to improve the efficiency and effectiveness of the Child Care Subsidy, Additional Child Care Subsidy, Inclusion Support Program and Community Child Care Fund would represent a significant improvement on the current funding model and contribute to achieving universal access. These reforms should be complemented through a more coordinated approach between the Australian, state and territory governments to co-fund preschool, address availability gaps and support the establishment of integrated services where there is a need. <b>[Draft finding 9.2]</b></p>	La Trobe strongly agrees with this recommendation.
<p><b>New coordination mechanisms will support universal access</b></p>	
<p><b>Draft finding: States and territories are better placed to oversee and ensure availability of OSHC</b></p> <p>There is a strong case for state and territory governments to take responsibility for ensuring the provision of outside school hours care (OSHC) in government schools to address availability gaps, promote more consistent charging and contracting practices within jurisdictions, and improve linkages between schools and the OSHC providers operating on site. <b>[Draft finding 9.4]</b></p>	It makes sense for state and territory governments to do this as part of their oversight of government schools. However, care would need to be taken to ensure clear alignment and communication between federal and state governments.
<p><b>Draft recommendation: Improve policy coordination and implementation</b></p> <p>The Australian, state and territory governments should form a new National Partnership Agreement (NPA) for Early Childhood Education and Care (ECEC) by 2026. The NPA should articulate the national vision for ECEC and clarify roles and responsibilities between all governments. The Australian Government should remain responsible for early childhood policies in the years before preschool and for</p>	La Trobe strongly agrees with this recommendation.

<p>associated funding responsibilities and for the funding of outside school hours care through the CCS. State and territory governments should remain responsible for preschool, school readiness and take on the responsibility of ensuring the delivery of outside school hours care in government schools. Governments should build upon the Preschool Reform Agreement to ensure funding supports the desired outcomes, regardless of the preschool delivery model adopted in each jurisdiction. The NPA can also help to establish a more formal stewardship approach, underpinned by an ECEC Commission (draft recommendation 9.2). <b>[Draft recommendation 9.1]</b></p>	
<p><b>Draft recommendation: Establish an ECEC Commission</b></p> <p>A stewardship model – where the Australian, state and territory governments better coordinate their roles in the ECEC system and share accountability for sector outcomes – should be implemented to address some of the challenges observed in the market, coordinate a more cohesive policy response and steer the sector towards universal access. This should be underpinned by an ECEC Commission, jointly established by the Australian, state and territory governments as part of a new National Partnership Agreement (draft recommendation 9.1). The ECEC Commission should have two main functions: support the Australian, state and territory governments to better coordinate and deliver ECEC policies, by providing information and advice; provide a mechanism to hold the system stewards publicly accountable for achieving the objectives of ECEC policy. The ECEC Commission will require high quality data to execute its advisory and reporting functions effectively. It should have the authority to collect data from the Australian, state and territory governments, as well as mechanisms to safely store and share data between jurisdictions. <b>[Draft recommendation 9.2]</b></p>	<p>La Trobe agrees in principle with the proposal to establish an ECEC Commission. However, this should not become another layer of bureaucracy in an already complex system.</p>
<p><b>Draft finding: There is more to learn about how ECEC programs can best improve children’s outcomes</b></p> <p>The literature on early childhood education and care programs presents some lessons about how programs and systems to improve children’s outcomes might be designed, but there is also much that is not known. The benefits from ECEC programs can be greatest for children experiencing disadvantage or vulnerability, while extending more broadly. Services that are accessible to children from a wide range of backgrounds may, as well as reaching more children, be more conducive for the learning and development of each child who does attend.</p>	<p>La Trobe strongly supports further research on early childhood education and programs. This is in fact already taking place in universities across Australia including La Trobe. In addition to the Australian Education Research Organisation, universities could play a role in developing the research agenda as well as undertaking research.</p> <p>La Trobe is currently seeking support to help establish a <b>National Centre for Education Excellence</b> – a pivotal hub of innovation and transformation in the educational landscape dedicated to translating longitudinal evidence-based research into cutting-edge teaching and learning practices while preparing the future workforce.</p> <p>Funding for longitudinal research into evidence informed approaches to teaching and learning could prove a game changer for Australia, delivering evidence of impact to</p>

<p>Benefits have been produced by programs with a wide range of features, including those with different operating models, starting ages and number of weekly hours attended. Realising the potential of ECEC for childhood development requires a better understanding of how program features affect children’s outcomes.</p> <p>Factors that contribute to the quality of ECEC services can be difficult to disentangle using available measures of process or structural quality. Predictions of how children’s outcomes will be affected by efforts to improve these measures, including regulated features of services such as staffing requirements, are highly uncertain.</p> <p>While the ECEC Commission may be best placed to oversee a research agenda, many actions would need to be taken before one is established. <u>The Australian Education Research Organisation could commence the process of developing and overseeing the implementation of a research agenda in the short term.</u> <b>[Draft finding 1.2]</b></p>	<p>make policy changes in initial teacher education degrees and education overall. <b>This evidence base is currently not available in Australia.</b></p> <p><i>Further information about La Trobe’s proposal could be provided upon request.</i></p>
<p><b>PRODUCTIVITY COMMISSION’S INFORMATION REQUESTS</b></p>	<p><b>LA TROBE RESPONSE</b></p>
<p><b>Cultural Safety in ECEC [Information request 2.2]</b></p> <p>Should there be changes to the National Quality Framework to promote cultural safety and capability, beyond the updated learning frameworks?</p> <p>Would a national cultural competency framework help improve the cultural safety of ECEC services for Aboriginal and Torres Strait Islander families and children?</p>	<p>Yes; the NQF should reflect the updates in approved learning frameworks.</p> <p>This depends entirely on how it was created, what it incorporated and how it was enacted. The first step would be to consult Aboriginal and Torres Strait Islander organisations.</p>
<p>Would professional development in cultural capability (draft recommendation 3.6) be adequate to promote inclusion in ECEC services, or are there other components required?</p>	<p>Stand-alone professional development is not enough - it may even be seen as tokenistic. Addressing bias, racism, discrimination, and power takes time and requires ongoing training, collaboration, support, and monitoring. Updates to the NQF could potentially provide some guidance/support for ECEC providers.</p>
<p><b>Transition to school statements [Information request 2.4]</b></p> <p>The Commission is seeking information on the extent to which transition to school statements are used, their adequacy and whether they contribute to more effective transitions.</p>	<p>Anecdotal evidence suggests that these statements are very time-consuming and not read by primary school teachers. They are often completed by ECTs outside of hours as they cannot complete them during their scheduled planning time. Without adequate time to complete them, ECTs often cannot provide individualised detail about each child’s learning, development and wellbeing, rendering these statements less valuable. Parents are also often given very little time and context to complete their section of the ‘Transition to School’ statement.</p>

	<p>Some better options could include:</p> <ul style="list-style-type: none"> <li>- ECTs are skilled in documenting each child's learning across the year. An option would be to share existing documentation with Foundation teachers.</li> <li>- Face to face meetings between ECTs and foundation teachers are more effective. For example, at its Bendigo campus, La Trobe University runs an afternoon when all participants attend including primary school teachers and the ECTs move to each school and have a discussion with teachers. Permission is given through the transition statements.</li> <li>- The enactment of transition to school approaches requires stronger support from the first years of schooling (F-2) to ensure continuity of curriculum, pedagogies, assessment, and classroom environments between before school and F-2 settings.</li> </ul>
<p><b>Falling completion rates for early childhood teaching qualifications [Information request 3.3]</b></p> <p>The Commission is seeking views on the factors that have led to a decline in completion rates of early childhood teaching qualifications.</p>	<p>Please refer to the response to Draft Finding 3.3</p>
<p><b>Provision of service ratings information for families [Information request 8.1]</b></p> <p>The Commission is seeking information on how service ratings information could be made more useful and more accessible to families. For example: requiring services to display ratings information on their website; changing how ratings information is communicated: to specify which element/s of the National Quality Standard a service did not meet to make clearer what is meant by a rating of Working Towards; and requiring services to inform: prospective families of their current National Quality Standard rating; current families of a new National Quality Standard rating.</p> <p>Would these changes be desirable, and how would they best be implemented? Are there other options that should be considered? <b>[Information request 8.1]</b></p>	<p>Please refer to the response to Draft Finding 8.2</p> <p>It is important to not go against the recommendation that A&amp;R should be focused on growth and improvement rather than being a label. In terms of displaying the ratings, not all services have a website.</p>
<p><b>Availability of occasional care [Information request 7.4]</b></p> <p>The Commission is seeking information about the availability of ECEC on an occasional basis. What barriers, if any, do services face in providing this type of care? How might these be resolved? Are families' needs for this type of care going unmet?</p>	<p>Anecdotal evidence suggests that it is very hard for people who work on a part-time/casual basis or without family support to access occasional care. This is particularly difficult for infants where staff ratios are higher.</p>