

April 2023

Productivity Commission Inquiry – Early Childhood Education and Care

We are excited to see the Government interest in reviewing and potentially working toward improvements so that more children can access early childhood education and care settings. We recognise the incredible value of ECEC services to the community, children, families and the workforce. The pandemic demonstrated the essential nature of ECEC services. We welcome initiatives that support affordable, accessible, equitable and high quality ECEC services. We hope our comments support the Government in their initiatives.

The Lady Gowrie Child Centre SA response to the Productivity Commission Inquiry includes comment in most areas nominated in the inquiry's scope.

Scope of the inquiry

The Commission will undertake an inquiry into the ECEC sector in Australia. The Commission should make recommendations that will support affordable, accessible, equitable and high-quality ECEC that reduces barriers to workforce participation and supports children's learning and development, including considering a universal 90 per cent childcare subsidy rate.

The Commission will consider options that improve or support:

1. affordability of, and access to, quality ECEC services that meet the needs of families and children
 2. developmental and educational outcomes for Australian children, including preparation for school
 3. economic growth, including through enabling workforce participation, particularly for women, and contributing to productivity
 4. outcomes for children and families experiencing vulnerability and/or disadvantage, First Nations children and families, and children and families experiencing disability
 5. the efficiency and effectiveness of government investment in the sector.
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A section on other matters is followed by a conclusion.

General History

Gowrie SA is a leading community-based not-for-profit organisation with a more than 80-year history of supporting children, families and education professionals through innovative child care, kindergarten, parenting, health, and professional learning programs. We are a Registered Training Organisation, and also the Inclusion Agency for South Australia, supporting delivery of

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the national Inclusion Support Program within this state. Gowrie SA runs two integrated long day education and care programs, an integrated preschool program part-funded by the Department for Education and an integrated preschool program with part-funding from the Universal Access scheme. We also provide innovative parenting intervention programs that support child-parent attachment relationships and early childhood development, including playgroups, community-based early learning initiatives and Circle of Security – Parenting.

Gowrie SA was established in 1940 as a demonstration and model child and family Centre. We research evidence-based practises in early childhood education to deliver programs that give respect to social justice, sustainability, Aboriginal and Torres Strait Islander cultures, culturally responsive pedagogies, and reconciliation. We are governed by a voluntary Board of Management.

1. Affordability of, and access to, quality ECEC services that meet the needs of families and children

Affordability, access and quality – the latter underpinned by qualifications, program assessment, professional learning, culturally responsive pedagogies and learning material resourcing, all of which are relevant to quality ECEC services.

Affordability

Gowrie SA supports all measures to ensure that ECEC fees are not a barrier to participation, particularly for families where low income is an issue. The recent policy decision to increase the Child Care Subsidy (CCS) to reduce out-of-pocket expenses is welcomed. We commend further measures in the form of increased CCS to create universally accessible ECEC for children.

The current limitation on allowable absences has had an impact on affordability for families. This has been due to increased use for illnesses (including COVID), and extended cultural leave whereby families travel to remote areas or overseas (for extended family holidays, or for business or cultural reasons). The limitation of allowable absences means that families have to choose whether to use all their allowable absences and risk losing CCS for subsequent absences, continue to pay fees to hold their child's long day care place even if they are not attending, or to withdraw from care, in which case the service utilisation is impacted, and the family has to go back onto the waiting list when returning. In many cases, individual services negotiate a compromise for families, however this results in both families and the service potentially losing income depending on the arrangement. Given Australian society is comprised of many cultures with a wide array of cultural and family practices, and given COVID remains in our community, an extension of allowable absences is warranted, at least in some circumstances.

Access

Gowrie SA advocates for all children aged birth-5 years to be able to access a minimum of 2-3 days per week of ECEC for either free or at very low cost as a universal right. The ECEC service

must also meet a minimum standard of quality and be culturally responsive and safe. As mentioned previously, the increase to CCS supports a move toward universal access.

As a society, we need to consider the prioritising of children's rights and needs above those of adults. Thus, 2-3 days of access should not be tied to requirements such as an Activity Test, or the impact on the economy; nor should access be limited by an individual family's ability to afford fees. Making access a universal right will still encourage workforce participation for many families. A universal right also normalises access to regulated ECEC services, and with the necessary supports, enables access to early intervention options when needed. Access for families to the support provided by qualified staff as well as interactions and relationships with other families through being a member of an ECEC community over several years contributes positively to developmental outcomes for children.

Additional Child Care Subsidy (ACCS) – Temporary Financial Hardship

ACCS – Temporary Financial Hardship is currently limited to 13 weeks per event, which is not of sufficient length for many families navigating difficult circumstances. The administrative requirements can be burdensome, and having to share intimate details of their lives (often repeatedly to multiple service providers) can cause shame for families as they are required to 'prove' the disadvantage which has led to a request for ACCS.

Approvals of ACCS for longer periods (e.g. 6 or 12 months) that also give full consideration to family circumstances, would enable families the time and opportunity to work toward the resolution of their difficulties. Approvals could continue until there is a final sign off (similar to how WorkCover operates). As an example, we had a family attending where the mother died overnight of a brain aneurysm. Not only was the family devastated, but the remaining parent was grieving and supporting their children through the grief process, navigating the funeral and associated processes, and reviewing all their finances and payments against a single income. This involved time off work, changing ECEC bookings, and navigating various government, education, and finance systems. In essence, this was a sudden life change and 13 weeks was an inadequate amount of time to manage the enormity of the situation. ACCS – Temporary Financial Hardship could only be reviewed if there was *another* event affecting family circumstances. Other examples where the time limitation is inadequate include a situation where a father became a paraplegic due to a work accident; and a mother who was diagnosed with terminal breast cancer.

ACCS – Child Wellbeing

ACCS – Child Wellbeing is available initially for 6 weeks with the possibility of continuations of up to 13 weeks at a time, assuming evidence can be provided by recognised professionals that the child continues to be at risk. Once again, the complex circumstances that families of children at risk of harm, abuse and neglect require much longer periods than these short approval periods to address. We provide the following examples of families needing to access ACCS – Child Wellbeing in the past; a homeless father with sole custody of his child; a mother who was a recovering drug addict who recognised that having her young child attend ECEC for 5 days a week was in her best interests; a mother with postnatal depression who needed her

child to attend full time until she could recover. ACCS – Child Wellbeing, as an early intervention measure, should be determined with full consideration of family circumstances.

This process poses similar issues to that of the ACCS - Temporary Financial Hardship with families having to continually tell their story and navigating complex issues that are unlikely to be solved within a short time period. The administrative requirements are also burdensome for families and services in the regular sourcing of new evidence and applications for continuations being submitted prior to the end of each approval period.

We recognise and are supportive of changes to ACCS – Child Wellbeing for approvals of longer periods of funding for children who are in formal out of home care arrangements.

Quality

Several elements shape quality in ECEC, including staff qualifications, program assessment, staff professional learning, curricula that is informed by the funds of knowledge children and families bring to the service (requiring the use of culturally responsive pedagogies), learning materials and staff resourcing, and the relationship between Early Years Learning Framework (EYLF) and the National Quality Standard (NQS) requirements.

Staff qualifications

In recognition of the years of concentrated learning offered by ECEC 4-year university degrees, ECEC degree-qualified teachers be employed across all age groups, with remaining positions held by diploma-qualified educators. All ECEC sites should be led by four-year ECEC degree-qualified leaders. This requirement would address current issues faced by many services concerning professional supervision of early childhood teachers by diploma qualified leaders, as well as bring ECEC programs in line with requirements for the schooling sectors regarding qualifications. The impact on children’s learning outcomes, quality of service delivery, and implementation of program curriculum could be significant. It would also support the creation of inspiring working environments that would attract ECEC degree-qualified teachers. Such a system would provide clear career pathways, reducing attrition rates from the ECEC sector.

ECEC service assessment and rating

In some states, the financial resourcing of the Regulatory Authority needs to be such that assessment timeframes are consistent nationally. Increased national consistencies on assessment and rating efficiencies would support more assessment visits due to reduced time spent on administrative processes by authorised officers. ECEC services need regular feedback both to gain recognition for embedded practices that meet or exceed the National Quality Standard (NQS), and to support focus on continuous improvement to practices and service delivery. In South Australia the timeframe for ECEC service assessments does not meet the 3-year cycle.

Regular ECEC practitioner consultation on the NQS could also support further improvements and contextualisation to the assessment and rating system and processes. Given the NQS has

been in place for some years now, further flexibility could be built into the system. Examples include:

- Extending the assessment timeframe to 5 years for high-quality services after engagement with a monitoring visit, and if a majority of staff remain at the service, or if the service is in receipt of an Excellent rating. This could be reduced if there are significant leadership or educator changes or an increase in service complaints or notifications.
- Given understandings of culturally responsive pedagogies, there may be opportunities to update criteria for responsive program delivery in diverse communities.
- Given understandings of Aboriginal ways of knowing and being, there could be identification of culturally safe ways to undertake assessment and rating visits in services with higher percentages of Aboriginal and Torres Strait Islander families.

Staff professional learning

ECEC educators and teachers need access to a minimum number of hours of quality professional learning and development opportunities annually, with a focus on curriculum and relational pedagogy, unconscious biases, intrinsic values, cultural respect and safety. This professional learning would be in addition to minimum training requirements for first aid, anaphylaxis, child safe environments, etc. Furthermore, in-service requirements such as whole-service/site focused on pedagogy and practices are critical. The recent Australian Government commitment to support professional development costs has missed an opportunity by allowing expenditure on mandated and non-mandated training. Given mandated training is a professional requirement for employment, supporting costs of non-mandated training with a pedagogical or cultural focus may have had greater benefits to the ECEC sector and child outcomes.

Positioning educator and teacher identities as both learners and teachers is a priority. ECEC programs should be co-constructed with children and families; however, this would require considerable skill development for staff, and a level of vulnerability, both as a pedagogue and learner. Opportunities for team reflection must be included as an entitlement that is resourced within service budgets, as well as supported through government funding. Such time to gather as a team and critically reflect and learn together has a direct positive impact on the quality of service delivery and subsequently, outcomes for children.

Exceptional leadership is critical to the implementation of quality pedagogy and practices within an ECEC environment. Leaders must have professional learning opportunities that focus on service culture and the maintenance of mandated quality practices. Prior to 2017, state Professional Support Coordinator contract holders were supporting ongoing learning for leaders, educators and early childhood teachers (ECTs), and providing targeted support to services receiving a Working Towards rating. This is a structure worth revisiting.

Culturally responsive pedagogies

One quarter of the Australian population were born overseas, and half have at least one parent who was born overseas. In a richly diverse with a multitude of cultural traditions and religions,

serious consideration must be given to the implementation of culturally responsive pedagogies.. Culturally responsive pedagogies incorporate planned elements of cultural safety and responsiveness, the inclusion of family lifeworlds, and leveraging children’s existing funds of knowledge in ways that support two-way learning by children, their families and educators and teachers. This approach offers us an opportunity to elevate the cultural knowledge and practices of Aboriginal peoples. It is widely recognised that the current curriculum frameworks and National Quality Standard are based on westernised values and concepts and may not be culturally relevant or contextualised. This bias should be acknowledged and amended for services attended by diverse families and in diverse communities.

Learning materials and staff resourcing

Resourcing for ECEC services in low SES areas must also be a priority. Resourcing would include funding for high quality physical resources (such as quality books, natural materials and wooden furnishings, in appropriate quantities).

Funding for additional staff across all ECEC services would allow leaders and educators time to assist families with complex or urgent needs to access additional community and health support as early intervention. Additional resourcing and access to quality ECEC programs, along with targeted support as necessary, has the potential to break cycles of intergenerational poverty and trauma. This will also support improved outcomes for children, and positively impact AEDC data.

The relationship between the Early Years Learning Framework (EYLF) and the National Quality Standard (NQS)

The EYLF has clear and broad outcomes, however, questions remain as to whether these outcomes are supported through the current NQS, and assessment and rating system. In addition, there appears to be little research to determine whether programs in all ECEC settings match the intent of the EYLF. Greater engagement by authorised officers in quality ECEC programs (as professional learning opportunities rather than for assessment) has the potential to influence well-informed assessment and rating processes, particularly for Quality Area 1.

Given the capacity of AEDC results to highlight vulnerabilities within our communities, we wonder whether the AEDC outcomes should be integrated into systems at curriculum and Standard levels, including links with children’s successful transition to school.

2. Developmental and educational outcomes for Australian children, including preparation for school

Areas most relevant to the development and educational outcomes for children include family-based learning support through relevant parenting programs and supports, ECEC environments, and staff qualifications.

Family based learning support providing links between home and ECEC environments

Consideration of communication, resourcing, and reciprocity between early years services, programs, stakeholders and families is vital. We know that supporting new parents throughout

the ante and post-natal journey can promote good outcomes for children and families. All families need access to some parenting knowledge, programs and support, and some families need access to more intensive services. Parents need access to responsive health services as well as peers to reduce isolation, increase networks and community connections, and access high quality, evidence-based information at the time they need it.

Parenting programs led by qualified ECEC professionals can be one way to connect families with information and health services, provide relaxed contexts for learning and building connections. They also provide the information for a smooth pathway for children from home to early years settings and then on to school. These programs should be appropriate to and inclusive of local cultures and contexts. With consistency and availability, such programs held at the local community level with embedded relationships to ECEC and health services, would support positive and successful parenting practices, child outcomes, and transitions into formal education programs. Furthermore, referrals to additional support could be made, supporting the intent of early intervention within inclusive, safe environments.

Families and home learning environments should be supported and resourced from the local early years setting. ECEC sites can provide information and support to encourage home learning activities that achieve greater consistency between the two environments, and support child development outcomes. Gowrie SA has developed and commenced delivery of the Teach-Do-Learn program which directly supports parents with activities that target the AEDC developmental areas. These activities are modelled in a planned environment, and led by educators. Resource sheets are provided for families to take home to support their child's learning using items they already have within the home. We have also facilitated access to allied health practitioners within the Teach-Do-Learn program. With funding, such a program could be rolled out nationally.

The birth to five years as 'preparation' for formal schooling

Smooth transitions to school from ECEC settings is important for children as they reach school intake age; however, policy makers would do well to understand that these early years are an entity in themselves and cannot be defined principally as preparation for formal schooling. However, ECEC settings do contribute to children's capacity to learn, including in group environments, and to develop socially and emotionally. With greater investment in high quality, well-staffed, well resourced, culturally safe and responsive ECEC programs, children will develop a foundation of learning dispositions, curiosity, creative problem solving and engagement in learning that will carry them through their formal school years.

It should also be observed however, that schools have a role in being ready for children, but currently interactions between schools and ECEC settings can be limited. Schools could be more proactive in engaging with local ECEC services, and current transition to school processes and practices should be reviewed.

Staff qualifications

Teachers holding ECEC 4-year university degrees have been shown to work effectively in, and lead programs that promote children's development and educational outcomes. South Australia has a unique 4-year Birth to 8 ECEC teaching degree that gives graduates the opportunity to work across different early years settings, as well as holding the developmental and pedagogical knowledge which benefits children in school and pre-school settings. The introduction of the four-year degree in South Australia in 1990 recognises the importance of early childhood teaching across the 0-8 age span.

3. Economic growth, including through enabling workforce participation, particularly for women, also contributing to productivity

Economic growth is founded upon children's early learning and development in two ways. First, when done well, it creates citizens who are capable of significantly contributing to the society in which they live, as well as creating happy, and productive lives for themselves and their families. Early years settings can work in partnership with families, offering referrals for additional services, and providing guidance, as needed, in the years when such support and intervention can make the most difference developmentally to children's lives now and in the future. The relationships of trust created between educators and parents are foundational to the success of such partnerships.

Second, when children are engaged in quality learning before the formal years of schooling, their parents are also able to participate in the workforce, study, seek the supports needed for themselves or their particular situation, or contribute in other ways to society such as through volunteering, or caring for elderly family members.

Universal early learning and productivity

Children and their learning and development, including early intervention strategies, is a foundation upon which to build to increase economic productivity. Access to minimum entitlements of ECEC for free or at low cost, with greater access for families under a designated income level, will promote economic growth. Prioritising children's learning and development through universal access to ECEC will create conditions that support women's workforce participation, and contribute to national and state productivity growth, now, and in the long term.

Relationships within families

ECEC needs to value family relationships with their children and vice versa. Providing support for serve and return responsive interactions that create secure attachment relationships sets up the foundations for children's early development in all domains. We need to ensure children are in the best settings/environments with their families and ECEC service. For many families, strong family relationships require significant government investment in support programs, including additional investment in communities where children and family connections are at risk.

All families should be able to access some evidence-based parenting programs, with some families able to access more according to family circumstances. The concept of proportional universalism could be applied to ensure that those families who need the most support are able to access that support at no or low cost and without stigma. ECEC settings, with appropriate funding, can provide the community and system brokering that is needed to support family navigation of support systems and processes. Providing whatever is needed to assist families to access housing, income, and food security opens the pathways to women's productivity. We need to consider Maslow's hierarchy of needs and provide the foundations for success and security as a means to productivity and growth.

4. Outcomes for children and families in vulnerable circumstances: and/or disadvantaged, First Nations children and families, and children and families living with disability.

There are a number of factors relevant to outcomes for children living in vulnerable circumstances: the cost of ECEC services, staff resourcing, accessible physical environments, and reconciliation.

The cost of ECEC services

As mentioned previously, outcomes for vulnerable families can be positively impacted by access to no or very low cost ECEC services that meet quality standards and are well resourced. We know that for families with a child living with a disability, there can be additional costs and priorities that make accessing ECEC services more difficult. Reducing out of pocket costs as much as possible during the early years of a child's life for vulnerable families must be a priority. Additional allowable absences under the CCS guidelines will support the complexities of medical appointment attendance and health vulnerabilities for many families.

Resourcing- staff

There needs to be increased staff resourcing, including additional suitably trained staff for ECEC services in areas where children are likely to be vulnerable or at risk. AEDC geographical data should be utilised to identify other community locations where children are vulnerable. Teachers and leaders with early childhood degree qualifications, supported by sufficient other qualified education and/or allied health professionals could have a positive and lasting impact on child and family outcomes. Resourcing must be available to all services currently undertaking invisible supports, such as providing food and transport vouchers, access to allied health services, and fee waivers for families. This type of support is currently unfunded and unrecognised and has an emotional and time cost to ECEC leaders, and financial cost to ECEC services.

Accessible physical environments

ECEC services are best located in purpose-built, well equipped, fully accessible settings that have high quality stimulating environments, natural light, outdoor access, and suitable resources and materials to promote children's learning. Children often attend ECEC programs in buildings that are not fit for purpose and/or require funding for capital upgrades (i.e. access to outdoor areas for children with disabilities). It is particularly difficult for small, community not-

for-profit services in disadvantaged areas to undertake such improvements as they often do not have the balance sheet to do so, nor do they have an annual surplus, which would cover a bank loan for capital upgrades.

Solutions include government investment in capital upgrades, or interest free loans that can be paid off over a long term. We note the recent announcement of funding for capital investment, but these are limited mainly to regional and remote areas.

Reconciliation

Our nation has a commitment to reconciliation and creating culturally safe environments for the authentic inclusion of Aboriginal children and families. To achieve this goal, employment of Aboriginal educators in ECEC services should be a priority. Appointing sole Aboriginal educators/ teachers in one setting would not be sufficient however. Experience has shown that in such circumstances the educator leaves after a short time due to the absence of cultural peer support and connections which occur in a culturally responsive environment where cultural feedback can be shared with non-Aboriginal staff and leadership. Implementation of a Reconciliation Action Plan is an excellent way to support non-Aboriginal services to plan for cultural learning, create procurement and employment targets, and improve cultural pedagogies and responsiveness.

Regarding curriculum, the primacy of Aboriginal and Torres Strait Islander knowledge and ideas regarding education should be included in the ECEC curriculum as well as through access to Aboriginal educators and teachers. The ECEC sector needs to find safe ways to 'work with' rather than 'do to' Aboriginal children, families, and staff. The development of such partnerships involve deep listening, reciprocity, and inclusion of Aboriginal ways of knowing, being, and learning. These ways of working will be enacted with the implementation of culturally responsive pedagogies, which respond to family and educator lifeworlds.

5. The efficiency and effectiveness of government investment in the sector.

In this section, this submission addresses the operation and adequacy of the market, including types of care and the roles of for-profit and not-for-profit providers, the appropriate role for government, consideration of anti-competition parameters and consistency of systems.

Not for profit/ for profit services

Any governance arrangement requiring a financial Return on Investment (ROI) to investors (whether private, social or philanthropic), reduces access to the surplus funds that can directly benefit children and families through reinvestment within the ECEC service. Acknowledging that the government has a role in enabling a range of service delivery models, the government also has a responsibility to reduce the burgeoning corporate for-profit ECEC services whose fees directly contribute to payments to investors or shareholders. Children are not a market commodity and Government funding through CCS should not be used to aid profits. The government's continuing role in ensuring the original model of not-for-profit ECEC (services not aligned with investors or shareholders of any description) is also a commitment to building sufficient services to offer families genuine choice of options.

Anti-competition parameters

Efficiency and effectiveness of government investments could be achieved through anti-competition practices (such as those in place for chemists), and by coordinated planning of ECEC services between council, state and federal governments. Such measures would drive efficiency by ensuring there are sufficient ECEC services to meet community need and limiting the growing number of new services where there is an oversupply. Many new services are built in close proximity to existing services but operate with less than 50% utilisation, which creates financial viability issues. This approach will also reduce the number of ECEC services being built by companies for the purpose of selling them for real estate value and/or leasing arrangements. At this current time, no government structure will take charge of this – at council, state or federal level. Such a change would mean greater cost effectiveness as there will only be as many services available as are needed in communities.

Consistency of systems across sectors and levels of government

There are disjointed and disconnected systems across education, care, child protection, human and social services, and health, as well as between state and federal levels. Currently there is a Commonwealth Early Years Strategy being created, however this strategy will only apply to federal government departments, not state. The Early Years Strategy perhaps should have been created at national and state level first, which could then have potentially driven the focus of the various inquiries and Commissions happening at national and state level within a relatively short timeframe and with crossover. It is hard to see how these will be connected, and therefore able to drive effective government investment in the crucial early years.

There has been much rhetoric over the years about reducing duplication and red tape, increasing accessibility through a one-door approach, and community connectedness. However, few of these aims have eventuated. Consultation at service and practitioner level is needed to understand the demands on ECEC leaders, and to design or redesign systems and processes to better meet government accountability requirements, while also making these manageable for service providers.

Many organisations are working in competition for the limited funding that is available to deliver parenting, training or social programs. Larger organisations are significantly advantaged by having the additional staff to complete extensive grant or tender applications in relatively short timeframes, as well as cost efficiencies associated with economies of scale. A review of applications to understand who is successful in winning funding and who is not could lead to equitable changes to tender and grant processes.

6. Other matters of relevance

Without limiting the matters on which the Commission may report, in making recommendations the Commission should consider the following;

- **impacts on demand and supply,**
- **fee growth,**
- **the impact nationally of early years planning in Victoria and NSW,**

- ECEC sector workforce requirements and the capacity to meet these requirements within current Commonwealth, state and territory initiatives,
- incentives and disincentives to join or increase participation in the workforce,
- the role of universities and training institutions,
- remoteness and access to non-standard services,
- services meeting other needs, and,
- additional matters.

Impacts on demand and supply

Currently there is high demand for places in not-for-profit (NFP) ECEC services. High-quality NFP ECEC services can have extensive waiting lists – the waiting list at Gowrie SA is 370 families with an average 2-year wait. This demand has led to an undersupply of NFP services, particularly those services that return 100% of any surplus directly back into the service and programs for children and families (i.e. without any form of investor to whom a percentage of any surplus is returned annually). Reinvesting surplus directly back into an ECEC service is an efficient way to ensure targeted expenditure of government funding. Families who want to choose this particular type of service have increasingly reduced options. There are no opportunities or funding available to expand or increase the number of these NFP services in some states, or support for planned expansion, acquisition of nearby land, work with council, etc.

Partnerships between corporate builders/corporate services and developers/real estate are well established. In addition, the saturation of new corporate ECEC services leaves few areas where a viable NFP ECEC service can operate.

Fee growth

Fee increases in not-for-profit services are not necessarily unrealistic. Fee increases mainly support educator and teacher wages. Wages in high-quality services are 80% of the total budget. Other expenses are child resources such as food, consumables, quality equipment, professional development, staff provisions, as well as building operational, maintenance, and insurance costs. Annual fee increases, rather than being aligned with CPI, have tended to be set to cover educator wage increases and program improvements such as leadership pathways, staff study options, educator-child ratios, the employment of Aboriginal practitioners, and meeting Enterprise Bargaining Agreement conditions.

Fees are not excessive for the quality of learning and care program provided to children and families; however, affordability is impacted by parent economic circumstances. For example, a daily fee in ECEC is on par with the cost of a hotel room, but includes access to qualified educators and teachers, fresh food throughout the day, and a program which meets children's supervised care and learning needs. Given the significant benefits for children, including their engagement in lifelong learning, the fee to attend a regulated ECEC environment does not seem excessive given family out of pocket costs are reduced by government subsidy. Having said that, Scandinavian governments recognise their, and society's role in investing in children and deliver ECEC programs as a basic right for, and investment in, children and families at low or no cost, delivered in local communities, and by NFP providers.

The impact nationally of early years planning in NSW and Victoria

Interactions with existing and planned Commonwealth, state and territory ECEC policy settings and funding, including recent commitments by the New South Wales and Victorian governments to expand access to 30 hours of preschool for children in the year before full time school and support more 3-year-old children to participate in preschool. Commitments in response to the South Australian Royal Commission into Early Childhood Education and Care are also other considerations.

Currently there appears to be no national coordination or plan for delivery of early years services nationally or across states. Some states have prioritised ECEC delivery and are funding this in record amounts while others have made no such commitment. There is no national agreement on preschool delivery, including hours of delivery, nor school starting dates. Currently there are discrepancies across and within states on expenditure per child, particularly for preschool settings. While there is national agreement on the importance of the early years, investment has not necessarily matched this agreement.

ECEC sector workforce requirements and the capacity to meet these requirements within current Commonwealth, state and territory initiatives

It was effectively demonstrated during the pandemic just how vital ECEC services are to the Australian economy. ECEC leaders and educators continued to work throughout the entire pandemic while other businesses closed down or moved to work from home arrangements to protect staff from infection. The ECEC sector more keenly felt undervalued and underpaid leading to the current workforce crisis. As has been highlighted for some years, ECEC employment and workforce issues have not been addressed. Issues include the wages and conditions of ECEC educators and teachers, particularly in long day care settings. Over the past 30 years, there have only been two significant wage adjustments but due to inflation, neither have been sustained over the long term. Although working long hours in highly regulated, busy, risky, and complex environments, with extensive regulation requirements, educators and teachers in ECEC remain undervalued, and underpaid.

ECEC teacher wages do not have parity with similarly qualified teachers in preschool and school settings. In some states like SA, school teacher equivalent wages are paid by the state government to teachers in government-run settings, whereas ECEC teachers with the same qualification level receive remuneration at the significantly lower Modern Award level.

ECEC educators and teachers are predominantly women, many of whom have their own families. The undervaluing of women who work in 'caring' professions, and the devaluing of ECEC over school education systems, remains a national issue that urgently needs to be addressed. Without creating the wages and conditions within the ECEC profession to attract and retain the current workforce and future graduates, ECEC teacher qualifications will very likely remain as pathways to other higher paid teaching roles or employment in other sectors altogether. In addition, we know that many educators are leaving to work in jobs with higher salaries, lower levels of risk, greater work-life balance, and recognition.

Incentives and disincentives to join or increase participation in the workforce

There are several incentives and disincentives to participation in the ECEC workforce; current Awards, leadership, regulation, career pathways, the role of universities and training institutions, staff access to professional learning, and physical environments

Current awards

An overview of the Modern Award relevant to ECEC is needed as the pay and conditions are inadequate. The Modern Award currently keeps mainly women on low incomes. The pay and conditions must be commensurate with qualifications and levels of responsibilities and regulatory requirements.

Leadership

Committed and well-trained leaders are needed to lead aspirational services that are inviting to staff who want to work where they can make a difference, have a purpose, are exciting, and have funded professional learning opportunities, with attractive pay and conditions. The next stage of the National Quality Framework development should be to require leaders to upskill to hold degree-level ECEC qualifications and ECEC experience. This initiative would provide a stronger career path within the profession. Leaders need an evidence-informed understanding of what quality looks like and how quality can be achieved. Lower quality services often have a focus on daily documentation, some of which is not required under the NQS. This focus comes at the expense of planning, and relationships and pedagogical practices with children and families.

The ECEC sector needs educators with high levels of literacy, however this can be lacking and there are few available programs or opportunities to support adult literacy learning within the sector.

Regulation

There are continuous regulatory documentation requirements (i.e. documentation of safety checks, fridge temperature checks, toy washing, etc.). While important, these have an impact on the time available to spend directly on children's care and learning needs. An evaluation of those processes most impactful on children's health, safety and learning could be valuable. Alternatively, additional funding to employ staff who can focus on these administrative processes would free up educator and leader time to focus on programs and quality pedagogical practices.

The role of universities and training institutions

To support addressing workforce shortages, Initial Teacher Education (ITE) cohorts for ECEC courses in universities need to increase to meet future demand. This is also the case for Diploma level VET courses. Tertiary institutions need funding to manage increased cohorts and provide quality programs that prepare students for the complex birth to five years environments in which they will work. The current strategy of reducing overall HECS fees has not resulted in increased enrolments in ECEC programs.

Staff access to professional development

Since the end of the state-based Professional Support Coordinator program, which offered government-subsidised access to professional development, investment by individual services in professional learning for educators has declined, as other budget expenses have taken priority. Professional learning must be available to ECEC leaders, educators and teachers if they are to work in an extended professional way, not as technicians, in creating complex and interesting learning environments which impact positively on child development. Requirements should be introduced that go beyond access to mandatory training. We note the government's recent announcement in this area.

Physical environments

To meet current and future program demands, the physical capacity and infrastructure of ECEC environments need to be reviewed, with funding available to support upgrades and expansions. This review will also help ageing NFP services compete with new private centre builds.

Physical environment requirements should also be reviewed. All children need access to large, well planned indoor and easily-accessible outdoor spaces to support their health, exploration and learning. Such spaces are also good for educators and teachers, as they have access to natural light and fresh air as a minimum requirement. ECEC environments also need private spaces to meet with families, team members, and space in which to run parenting programs.

Impact on access to quality ECEC, including by remoteness and access to flexible (non-standard hours) services

Access to quality ECEC services for families living remotely has been discussed over many years; however, the core issues of viability and staffing have never been resolved. Remote services often do not have the utilisation needed to provide the required income to meet expenses. It is very difficult to attract staff to regional and remote locations, particularly without additional and significant funding incentives. Furthermore, families requiring care in non-standard hours need to be considered. This type of service tends to remain unviable given the staffing costs and limited use by paying families. We note the recent government announcements in this area. Per service, there is less than \$1,000,000 available for a period of only 2 years. This is unlikely to resolve the viability and staffing issues.

An alternative may be to attach ECEC services to schools in remote locations, with an ECEC teacher employed who can work across ECEC to Reception-Year One. Under previous Budget Based Funding (BBF) there may have been service models which could be reviewed and revisited. Online e-learning programs could be set up, but these require funding and don't address the working needs of families in remote locations. During the pandemic, Gowrie SA created an e-learning program for families who chose to stay at home and this was well received.

Service type based on the location of services or family circumstances

The former Budget Based Funded services model had a focus on meeting local community and cultural needs. The funding change to make such services operate in similar ways to the

majority of ECEC services, and the current push toward full regulation of such services is not culturally responsive. This may ultimately lead to their further demise, causing ongoing issues for families in remote and regional locations. Funding local innovative community solutions, which may not fit common ECEC models, could support family access.

Additional matters

In considering the broad remit of the Productivity Commission, we have posed the following for consideration, which include the need for evaluation and federal and state coordination, the emerging complex mental health and family needs of educators and families, and government budget priorities.

Evaluation and coordination

With the increase in access to preschool for 3-year-olds, Universal Access entitlements, and parenting program implementation, among other initiatives, we suggest there should be independently funded evaluations of these measures to ensure they are achieving intended positive outcomes for children in both the short and long term. There should be allocations in any grant funding for this to occur, as well as state evaluations of education programs.

There is much activity currently in ECEC at state and federal levels. Some of this work may be duplication. We wonder where links will be made between all the inquiries currently underway, and how they will coalesce into one cohesive strategy across federal and state governments, particularly given the timeframes.

Complex needs of educators and families

We have noticed increasing numbers of educators and families with complex needs. These include financial, mental health, and personal needs. ECEC service leaders have complex roles which are made all the more so by offering supports to their staff and families – supports that are unfunded and often invisible. Over time, we have supported a parent with terminal breast cancer, families who have experienced the sudden death of a parent, and families experiencing mental health issues through to crises. We have supported families with addictions, family members who are homeless, and families with significant relationship and financial stress.

To date, ECEC services have been supporting families without the dedicated funding to do so. This includes fee waivers, support to access legal, housing, food or domestic violence services and subsidising public transport costs with taxi vouchers or bus fares. Funding would contribute to increased opportunities for professional development and learning for educators about inclusion, early interventions, and equity-based approaches to supporting vulnerable children and families. Access to social, parenting and health services on site would reduce barriers for families, and also provide support and build further capacity in service educators and leaders who are providing this support themselves, often at high emotional costs.

Government budget priorities

Gowrie SA welcomes all investments in ECEC. We believe it is extremely important to support ECEC regulated services to be affordable for all families. Our nation needs to invest in the workforce and conditions in which they work so that there is a strong ECEC system with

qualified and consistent staffing; without this investment, quality will be significantly diminished. The current workforce crisis has reached proportions never seen before in the sector and this will take immediate and long-term investment to rectify and reverse.

If ECEC is seen as a social investment by government, any budget implications should be justifiable. As a society, we need to restructure our government investment into areas where it can make the most difference. Setting children up well in their early years is one way to do this. With this in mind, a social investment becomes less a cost and more an imperative. As a society, we need to find ways to invest in children as a priority.

Conclusion

Quality ECEC and long-term investments in children and families require a focus on doing it well rather than doing it cheaply. Governments need to be investing in children and families if we are to achieve the expected and many positive outcomes. This is also true of the ECEC workforce, which requires significant investment in pay, conditions, qualifications and professional learning. Every child in Australia should have the opportunity to be prepared for a successful and productive life; however, this cannot happen without long-term funding and political commitment at all levels and across all departments. Formal evaluation of current programs should be built into system changes to ensure these have a positive impact on children and child outcomes. Data collection at both local and population levels should drive policy.

We are building foundations of learning for the future, and our children deserve quality well-funded ECEC settings, educators and teachers. Changes should be made in carefully managed ways, with considerations for the most vulnerable as priority policy drivers. It is also important to embed a system that is resistant to political will and frequent change, comparable with the formal schooling years.

ECEC should be considered holistically: preparing for pregnancy, birth, early parenting supports and programs, community connections, to more formal ECEC environments. At each stage, children should be the central thread that guides decision-making. Funding should be considered an investment rather than a cost to government. We imagine a future where ECEC programs are a budget priority, inclusive of all that is needed to support thriving children and families. Necessities are housing, income and food security, and access to high-quality resources and support programs. ECEC services would be staffed by high-quality, well-resourced and qualified ECEC educators in carefully planned early learning environments. We already know that if governments invest in early childhood, there is a return on this investment in education, health, and economic outcomes and savings. What we need is a government willing to place early childhood, children, their parents, and ECEC educators and teachers at the heart of funding and policies.