



Submission to the

Productivity Commission

Childcare and Early Childhood Learning

Office of the Chief Executive

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Executive Summary

Novita Children's Services (Novita) congratulates the Australian government for embarking upon this important review, so as to facilitate the evolution of today's Childcare and Early Childhood Learning system to one that will achieve the dual goals of:

- safe and nurturing environments for children that provide the best foundation for optimal child development as well as preparedness for the transition to school; and
- supporting increased workforce participation by parents and carers, that is affordable to them in financial terms, as well as successfully supporting the management of their responsibilities to their employers and families.

The opportunity to provide commentary and evidence to the inquiry is welcomed.

This submission refers to three of the six key themes detailed within the 'Scope of the Inquiry':

1. Contribution that access to affordable, high quality child care can make to:
 - increasing participation in the workforce, particularly for women; and
 - optimising children's learning and development;
2. The current and future need for child care in Australia;
3. Benefits and impacts of regulatory changes in child care over the last decade, including the implementation of the National Quality Framework.

Novita's long history within metropolitan and regional South Australia in the area of early childhood learning and care, especially for children with special needs, positions Novita to provide unique and comprehensive perspectives into this challenging and vital area. In compiling this submission, Novita has drawn from holistic knowledge gained from 75 years' experience as one of South Australia's largest non-government, not-for-profit providers of:

- child development, rehabilitation and disability services for children with special needs, including those with disabilities and complex support needs, involving service delivery traversing the boundaries of the Childcare and Early Childhood Learning, Health, Education, and Disability sectors;
- specialist Childcare services for children with disabilities, and their siblings;
- Inclusion Support services to Early Childhood Education and Care (ECEC) Services in a vast geographical area spanning northern Adelaide to the borders of Northern Territory, Western Australia and New South Wales;
- brokerage of in-home care and supports for children with complex special needs; and
- Home Interaction Programs for Parents and Youngsters (HIPPY).

Theme 1: Contribution that access to affordable, high quality child care can make to:

- **Increased participation in the workforce, particularly for women; and**
- **Optimising children's learning and development.**

As a provider of child development, rehabilitation and disability services for children within South Australia, Novita's commentary is based on knowledge gained from:

1. Implementation of 'best practice' business processes due to rapidly changing external market forces.
Novita is an employer of a predominantly female workforce of more than 300 employees in an environment necessitating significant change in business and service practice. The provision of services to best meet rapidly changing and growing customer demands is resulting in the alteration of staff work schedules outside historical business hours of 9am to 5pm, and outside traditional child care hours.
2. Understanding the changing needs and wants of Novita's and other community service providers' internal and external (primary) customers.
Primary customers (in Novita's context) are parents, a significant proportion being users of the child care system. Internal customers are staff, also of which a significant proportion are users of the child care system.
3. Novita's role as a provider of direct child care services for children with disabilities, and their siblings.

National Disability Services estimates that if 20% of Australian carers of children/people with a disability return to work, then the economic impact would add \$32 billion per annum to Australia's economy. In 2012 Novita, in conjunction with the Centre for Work + Life (University of South Australia) and the South Australian Department for Communities and Social Inclusion, conducted a research study titled "Juggling Work and Care". This study's findings included:

- one in five parents/carers of children with disabilities, who were not in paid employment, had originally intended to return to work after the birth of their child;
- more than a quarter of parents and carers who were in part-time employment said they would like to work more hours, *if supported to do so*.

Unavailability of suitable child care was a key factor in reduced workforce participation for this cohort. Additional factors negatively impacting on workforce participation, particularly for mothers of children with a disability, included perceived lack of workplace flexibility, and the financial implications of caring for children with disabilities.

Please refer to the attached document for further details of the outcomes of this research study. These research findings have been provisionally accepted for publication with the *Journal of Community, Work and Family*.

The introduction of the National Disability Insurance Scheme (NDIS) for children with disabilities within South Australia in July 2013, coupled with Education and Health care funding reforms, is triggering transformational change within the children's services arena, which operate in parallel to, and in support of, the Childcare and Early Childhood Learning sector in this state. Transformation from historical welfare based and government grant funding models to market fee-for-service environments is resulting in heightened need for children's service organisations, such as Novita, to cater to the needs of their primary customers: parents. Changing patterns of peak service times and locations for service provision are increasingly becoming a variable to which children's services businesses must adapt. A key element in successful business adaptation to these changing market needs will be the ability to secure a flexible workforce. Heavy demand for child development services from allied health professionals in the time periods of 3.00pm to 7.30pm, Monday – Friday, and Saturday mornings, is evident. The availability of staff for these peak times is a critical issue to our organisation. Staff's ability to access flexible and affordable child care services for their children beyond 6pm will be critical to business success into the future.

Changing community expectations, increased awareness of evidence indicating the benefits of intensive, frequent, precise early interventions for children with developmental challenges, and significant social reforms such as the NDIS have served to generate increased demand for specialist child development, rehabilitation and disability services, and also that these services be provided in young children's naturalistic environments, including child care settings.

The Australian Early Development Index (AEDI) is a population based measure of how children have developed by the time they start school. It looks at 5 areas: physical health and well-being; social competence; emotional maturity; language and cognitive skills; and communication skills and general knowledge. The AEDI's website, www.aedi.org.au describes several critical factors in the achievement of positive child development. These are:

- Children's development is influenced by nature and nurture – genes and environment;
- Whilst genes provide the initial map for brain development, it is the experiences and relationships that babies and children have that literally sculpt their brains;
- Because experience shapes the brain, it is the social and physical experiences within the children's environment that are important; and
- Families have an important ongoing influence on children, *but they are not the only important influence*. The conditions and support that the community provides also have a major impact on how children develop.

For South Australia, 23.7% of children are considered to be developmentally vulnerable in one or more domains of development. Novita emphasises the weight of evidence in education, child development and child health literature in relation to the benefits of early intervention in achieving best developmental and educational outcomes. Supporting early intervention at the right time, right intensity, at the right place; and provided by professionals relevant to the child's physical, cognitive, sensory, social/emotional challenges or in relation to associated challenges of singular or multiple disadvantage, is strongly recommended as a critical improvement required of an evolved child care system. For children with developmental challenges, the precision of therapeutic and skill-enhancing activities is critical. The input of university qualified allied health professionals from the fields of dietetics/nutrition, occupational therapy, physiotherapy, psychology, social work and speech pathology - in strong collaboration with families and child care staff - provides a comprehensive model to effectively achieve optimal child development outcomes.

Critical to meeting quality customer service expectations and accurate child development assessments and interventions, is the scheduling of allied health service provision within child care settings, timed to coincide with experiences/activities of key life skill development opportunities, such as play, meal times, toileting, early communication/literacy activities, physical mobility and well-being activities, social activities; and that these are timed to occur during periods of child alertness and fatigue. Provision of these services for and with child care staff at times earlier and later than traditional child care business hours is a need of the system into the future for optimisation of child development.

Heightened need and community expectations for a more inclusive society in general, and specifically more quality inclusive environments within Early Childhood Education and Care (ECEC) services is a key priority that an evolved child care system must address. Vital to the childcare system's future success is the expansion of the Inclusion Support Program, or similar, achieving greater availability of information and support for workers within the childcare system in relation to quality inclusive approaches to Childcare and Early Childhood Learning program provision for children with additional needs including those from culturally and linguistically diverse backgrounds; from indigenous communities; and with disabilities and/or high support needs.

For optimisation of child development for developmentally vulnerable children, Novita recommends that the Childcare and Early Childhood Learning sector addresses the following:

- Childcare and ancillary staff must be trained in:
 - the needs of children with a variety of disabilities and/or other special needs;
 - caring, teaching and learning strategies relevant to the diverse needs of this vulnerable group.

- Childcare staff must have sufficient time and resources to ensure that each child with special needs is:
 - included;
 - has childcare activities adapted as required;
 - supported to meet his or her developmental goals.
- Childcare workers have access to specialist information from disability/cultural experts regarding an individual child's needs, such as cognitive, communication, visual, auditory, behaviour, mobility, and task performance issues; and
- Each Childcare worker has access to practical advice from disability experts.

Optimising child development relies on quality learning experiences for each child. For those with, or at risk of, developmental challenges, additional elements must be embraced. These include:

- quality learning goals being identified for each child which highlight the child's own areas of strength and ability, in addition to areas where additional support is required, and that these are incorporated into an individualised plan;
- the child can physically access the entire child care environment;
- the child's ability to engage in activities and the environment, is optimised by application of assistive technologies, appropriate positioning, learning program/curriculum modification, and use of human supports;
- the child's social and emotional needs are understood and met; and
- the child's abilities are promoted to the greatest level via intervention strategies relevant to the child's individual plan. This includes the 'teamed' effort of child care workers partnering with families, parents and carers, as well as health professionals and other experts, to realise the best possible abilities in all life domains for and with the child.

The building of an ever-improving Childcare and Early Childhood Learning workforce requires collaboration with the tertiary education sector to ensure that the principles and ethos of quality inclusive care, learning and teaching practices are embedded in the skill development phases of students preparing for work in the Childcare and Early Childhood Learning sector.

High quality child care which optimises child development in a changing external environment requires empowered leadership from Directors of childcare services/programs and other personnel (childcare) in positions of influence amongst workers. Leadership from within the sector must embrace:

- the needs of every child, including those with a disability, and other special needs; and
- the value of the contribution that these children make to the community, and their future contributions to society.

Attitudinal development towards an ethos of positive inclusion, needs to be a feature of empowered leadership within the Childcare and Early Childhood Learning sector. The engendering of a culture of inclusivity that sees opportunities created by

supporting a child/children with additional needs, development and formative education, and the promotion of creative approaches to problem solving, need to be driven by the leaders of each type of Childcare service, as well as the sector as a whole.

Childcare leaders must advocate for the needs of children of all abilities, and promote the expectation amongst staff that all children are able to achieve and improve their abilities and developmental milestones, irrespective of their circumstances, special needs or disabilities. This encapsulates the full spectrum of children, from gifted, to those with 'mild' or 'less complex' learning challenges/developmental disabilities, to those with the most complex or 'severe' physical/intellectual/behavioural/social impairments. Childcare leaders need to embrace the responsibility for immediacy of action to emerging or changing profiles of child need in order to maximise outcomes of early intervention strategies.

Theme 2: The current and future need for child care in Australia

The research study outlined above, titled "Juggling Work and Care" identified the following:

- one in five parents/carers of children with disabilities who were not in paid employment had originally intended to return to work after the birth of their child;
- more than a quarter of parents and carers who were in part-time employment said they would like to work more hours, if supported to do so.

Unavailability of suitable child care was a key factor in reduced workforce participation for this cohort.

A significant finding was that child care needed to be *suitable* for children with a disability in catering to their differing support needs to enable them to achieve best developmental outcomes. The projected growth in number of people with a disability requiring support as identified by the Productivity Commission report: *Disability Care and Support* (2011)¹ was 30%. The AEDI's findings from its 2009 and 2012 surveys indicated the quantum of developmentally vulnerable children has been significantly under-reported in the past. These statistics coupled with the "Juggling Work and Care" research study findings indicate a significant escalation in need for Childcare and Early Childhood Learning environments that provide quality care and improved child development opportunities for children with a disability or delay while matching the needs of working parent(s).

South Australia's geography and vast distances between regional centres presents significant challenges to parents, Childcare and Early Childhood Learning services, and service providers in general. It is well recognised within the children's services

¹ Productivity Commission Inquiry Report Overview and Recommendations: *Disability Care and Support* No. 54, 31 July, 2011

arena from the sectors of Health, Education and Disability, that the existence of few, if any, local service providers often is the experience of parents in regional, rural and remote South Australia. Providing therapy services to regional, rural and remote Early Childhood Education and Care (ECEC) services is an expensive exercise. Local community capacity building approaches are the preferred model, but difficult to achieve in a context of a region with no local providers. When additional administrative overlays, (while with quality and safety intentions) such as the National Quality Framework and associated reporting requirements, add to the significant financial and logistical challenges of providing support to ECECs to support children with additional needs, questionable viability comes into strong focus for these ECECs. Innovative Childcare and Early Childhood Learning models, such as HIPPY, or greater support for parents/carers to provide in-home child care become of greater importance in these instances.

Employer provided child care presents some opportunity for organisations of the size of Novita. Government support in the form of seed-funding to assist in start-up cost recovery and staff/program development and recruitment would be crucial. Organisations would conduct cost/benefit analyses to determine the resultant gain from such an exercise compared to the financial costs, time investment and risks of start-up and ongoing operation of such a service. Simplified reporting requirements stemming from a more pragmatic and less regulatory quality framework is strongly suggested.

The financial outlay of parents is a key factor in their decision to choose formal Childcare options. Anecdotally, Novita is aware that the 'out-of-pocket' costs of child care, in combination with the costs to parents in terms of restricted ability to flexibly respond to employer expectations, and distance to travel to a Childcare service perceived to be of quality, are significant impediments to them electing to use Childcare, and for them to work. Rebates and subsidies are often referred to as being inadequate in the eyes of the parents. ECECs that Novita services via its Inclusion Support program are consistent in their commentary in that government payments to ECECs for children with special needs are grossly inadequate to cover the additional learning and support needs of children with special needs; and in enabling growth in attitudes, skills and practical strategies for Childcare staff in quality inclusive practices and environment creation.

Transition from Childcare to school with a satisfactory level of school preparedness is a key life stage for every child and their family. For children with additional needs, investment in quality and intensive support pre-, during-, and post-transition is vital. The Life Needs Model as described by King et al. (2006)² describes the criticality of this in achieving optimal life skill development and community participation amongst children with disabilities. A crucial element to the success of transition for this vulnerable group is improving the capacity of the Childcare system via enhanced

² King, Tucker, Baldwin, LaPorta "Bringing the Life Needs Model to Life: Implementing a Service Delivery Model for Pediatric Rehabilitation" *Physical & Occupational Therapy in Pediatrics*, Vol. 26 (1) 2006

inclusion support strategies for Childcare workers, coupled with ECECs being financially supported to access:

- specialist expertise in optimal learning strategies;
- knowledge in adaptation of curricula/programs;
- assistive technology equipment prescription and provision; and
- child development intervention strategies including family support for children with special needs via professional allied health expertise with established relationships across the child care and school sectors.

Opportunities to improve connections and transitions across early childhood services should be viewed in a far broader systemic world than child care and preschool/kindergarten services alone. A child's communities traverse multiple systems, including, but not limited to Health and Education. Novita recommends that a priority outcome for this inquiry should be cross-system barrier breakdown, especially for vulnerable children.

Theme 3: Benefits and impacts of regulatory changes in child care over the last decade, including the implementation of the National Quality Framework.

While the intent of the National Quality Framework (NQF) is without question, its application and overlay of labour-intensive documentation and reporting has imposed a significant burden on Childcare services. Through Novita's Inclusion Support Program, facilitators report anecdotally that ECEC services have found, in general, that the challenges of investing in staff professional development in the elements specified within the NQF has added a significant burden to day-to-day work demands. This is particularly the case in rural and remote areas. The perception expressed is one of unachievable additional administrative burden concurrent with delivering child care which meets the National Quality Standards. It is seen to be so time-intensive that it removes scarce child care workers from their direct care and child development responsibilities to such an extent that it renders some services unviable, and resultant quality of care is negatively impacted. While it is recognised that streamlining the NQF is in train, the inquiry must recognise that removal of a significant quantity of the reporting requirements is required to reinvigorate the agility of ECECs in their day-to-day functions.

Novita appreciates the opportunity to provide commentary to this inquiry. Implementation of any systemic changes in the child care system needs to occur in synergy with other significant reforms, including the National Disability Insurance Scheme, and most recent Education funding reforms, in order to achieve the goals of the inquiry of achieving a child care system that is:

- more flexible, affordable and accessible;
- more responsive to the needs of parents; and
- providing a safe, nurturing environment for children that optimises their development and preparedness for school.

ABOUT NOVITA CHILDREN'S SERVICES

Novita Children's Services is a South Australian, non-Government, non-profit organisation, and was established in 1939 as the Crippled Children's Association of South Australia, to care for children diagnosed with polio. Today, Novita provides child development, rehabilitation and disability services to children and young people living with special needs, including those with disabilities and high support needs, and their families. Novita currently provides therapy, equipment and family support services to more than 2,000 children – and through broader work with families and communities, has a direct impact on more than 10,000 South Australians. Novita's services embrace children of all ages and abilities. In addition to its Adelaide-based allied health services, Novita provides Regional Services, Inclusion Support, Out of School Hours Care and Home Interaction Programs for Parents and Youngsters (HIPPY). Services are delivered by teams that include staff from the professions of childcare, dietetics/nutrition, family support, occupational therapy, orthotics, physiotherapy, psychology and speech pathology. Services are provided at home, kindergarten, child care, at school or at Novita centres. Novita also prescribes and makes recommendations regarding specialised equipment, such as wheelchairs, walking frames and communication devices, to help children to discover their potential every day.