

Children's Protection Society (CPS) Submission to the Productivity Commission Enquiry into Early Education and Child Care

Introduction

Established in 1896, the Children's Protection Society (CPS) is an independent non-denominational and not-for-profit child and family community organisation in the northeast region of Melbourne. CPS has a vision that all children and young people thrive in resilient, strong and safe families and communities with a mission to break the cycle of abuse and neglect in families, improving the life chances and choices for all children.

Up until the mid 80's CPS was responsible for the Victorian states mandatory child protection service, investigating and dealing with cases of abuse and neglect until this function was relinquished to the state in 1986. CPS then concentrated on providing support services to vulnerable families, earning a reputation for innovation, high quality services, and maintaining an unequivocal focus on quality outcomes for children.

CPS provides a suite of programs and services to children and families including: Family Support, Sexual Abuse Counselling and Treatment services, Father Support programs and an Early Education and Care Service.

Our Early Years Focus

Early Years Education Project (EYEP)

The most vulnerable children in our community who would gain the most from participation in early year's services are the ones that are likely to participate least. The needs of these children can be so complex, mainstream universal services are often not resourced or supported enough to engage and respond to their presenting needs and challenges.

The research and literature informs us that development in infancy and early childhood occurs at a more rapid pace than any other time of life. Stable, predictable, nurturing care that includes a stimulating environment is necessary throughout infancy and early childhood to enable healthy cognitive, language, social and emotional development. Entrenched neglect can cause irreparable damage to young children's development and learning.

Consequently CPS has established a children's centre in northern Melbourne, CPS has set up a focused Early Years Care and Education Service for children at risk of abuse and neglect. A range of highly skilled staff provide intensive attachment focused care and high quality early education programs for children referred in to the service by Child Protection and Family Support services.

The aim of the program is to support children at risk to realise their full potential and arrive at school developmentally and educationally equal to their peers. CPS designed this model to address both the lack of access to early education by vulnerable children, with a strong evidence base of the benefits of intensive high quality early education and childcare for those children.

This service was seeded by funding from the Federal government *Department of Education Employment and Workplace Relations (DEEWR)* in September 2009. The Department (that then administered) the *Child Care Service Support Program* supported and promoted the access to quality child care for children, families and communities through strategies that complement the significant assistance provided to families through the Child Care Benefit (CCB) and the Child Care Rebate (CCR).

Since the initial seed funding in 2009, CPS has built on this program, attracting further funding from a range of philanthropic trusts and State Government to provide practice and research on the social and economic benefits of investing early in life and early in the pathway of emerging issues.

The CPS Child and Family Centre program is the subject of a Randomised Controlled Trial Research Program in partnership with *Melbourne University Department of Economics and the Murdoch Children's Research Institute*. The aim of the research is to test the impact of this kind of education and care on vulnerable children's long-term social, educational and economic outcomes. This is being done by measuring their progress over time against a cohort of children from exactly the same circumstances that do not attend this service. There are 90 children involved in the research, 45 in the program (intervention) and 45 that are in usual community care services (control group).

CPS began recruitment of children into the research in February 2011 and anticipates enrolling the last child in around July 2014. Once the last child reaches their final assessment time (approx. July 2017) CPS will be able to begin publishing results on the outcome of this specialist intervention.

The CPS service recently underwent an Australian Children's Education and Care Quality Authority (ACECQA) assessment and received an "Exceeding Rating" in all seven Quality Standard Areas.

Focus of this submission

The focus of our submission is to:

- Encourage the Federal government to 'cut red tape' and facilitate a funded pathway for vulnerable children at risk to access and participate in high quality early education and care services before they start school
- Offer the Federal government an example of how to engage and sustain participation of vulnerable children into early years services using Special Child Care Benefit
- Advocate for the current policy and legislation surrounding access to Special Child Care Benefit for children at risk to be significantly changed
- Support the full retention of the National Quality Framework
- Seek a more targeted approach to provide and fund specific services that work with children at risk as there is little incentive or obligation to accommodate these children in the mainstream child care centres.

"Investing in early learning provides a remarkable return in better outcomes for children and a healthier and more prosperous society for everyone" (Charles Pascal 2010)

In the productivity argument in favour of increased investment in quality centre-based early childhood education and care (ECEC) there are a number of key empirical claims:

- a) That the possession of cognitive and non-cognitive capabilities are significant and necessary conditions for a range of positive life-outcomes (e.g., better health, higher educational attainment, higher earnings, lower risk of criminal behaviour, more stable relationships, etc);
- b) These outcomes are significant contributors to social inclusion;
- c) That cognitive and non-cognitive capabilities are learnt and their acquisition is sensitive (especially in very young children) to the quality of the child's developmental environment;
- d) That such sensitivity increase at certain stages in a developmental trajectory;

- e) That low-income, caregiver mental illness, child abuse, neglect, family violence, create environmental conditions under which capability acquisition is under developed;
- f) That the biopsychosocial mechanisms through which capability formation become delayed are lack of stimulation, toxic stress, and low familial expectations. These can prevent or blunt capability formation, negatively form neurological and neuro-endocrine systems and create patterns that hinder development and endanger social and economic success;
- g) That quality centre-based early childhood education can improve capability formation, especially for disadvantaged and vulnerable children;
- h) That investment in such capability formation escapes the thrall of the equity-efficiency trade-off. Rather, it promises significant rates of return for both the individual and the community, increasing economic efficiency, while also increasing equality of both opportunity and actual socio-economic outcomes;

Consequently, investment in quality centre-based early childhood education should be encouraged on both social justice grounds (i.e., it increase equality of opportunity and levels of social inclusion) and on the utilitarian grounds that it improves national productivity.

James Heckman (*The Handbook of Economics of Education 2006*) argues that the productivity of investing in young children's skill formation is demonstrated by the social benefits that flow (e.g.. increased tax revenue, decreased health costs, mental health costs, welfare & criminal justice cost, etc..). Heckman has shown that the equity-efficiency trade off, which blunts the effectiveness and appeal of so much social policy, does not hold true for investing in young children's skills. In the case of investing in disadvantaged children, the tyranny of the equity –efficiency trade off seems to have been completely overthrown. (Cunha and Heckman *'The Technology of Skill Formation/The Productivity Argument for Investing in Young Children'*)

The capability gap opens early.

"Most of the gaps in levels of skills between children from advantaged and disadvantaged backgrounds have happened by the age of five.

Life cycle skill formation is dynamic and hierarchical"

Early experience shapes the foundation for adult productivity. (Heckman et al 2006)

Access Issues –Special Child Care Benefit

Access and participation of children at risk in early childhood services requires *"... practitioners and policy-makers working together to design, implement and evaluate innovative strategies to produce substantially greater impacts than those achieved by existing programs and services"* (Shonkoff 2009)

CPS has designed and is currently implementing this exact kind of innovated, targeted service to children at risk with great degrees of success in access and participation however the funding for these children is very difficult to access. What we require is policy to support this innovation to document and disseminate what really works.

Special Child Care Benefit has been set up to pay for children at risk to participate in early childhood services. CPS has found the process of accessing this benefit complicated, short term and arbitrary in its application for a range of reasons, which are:

- approval is inconsistent
- the departments that legislate this benefit and the systems that regulate it are different and they rarely communicate with each other

- approval is dependent on 13 week cycles of application, reiterating risk factors. This leads to delays and may incur debt to the services attempting to run a “Priority of Access” Service. It also undermines the attempt to engage and build partnerships with high risk families and parents who are sceptical of services, their issues such as family violence, sexual assault, drug and alcohol, mental health, homelessness and poverty are not short term issues and cannot be resolved in 13 weeks
- the cap of 18% of income per centre and the 13 week cycle of approvals is a disincentive for services to apply as it requires paperwork, time and tenacity that many early childhood service providers struggle with due to time and staffing constraints.

An overhaul of Special Child Care Benefit is required to ensure that it is accessible, or the alternative of subsidising child care for all vulnerable children living in families on health care cards should be explored.

Quality

The Productivity Commission needs to consider not only the short term benefits of child care being a workforce participation product for parents but as a service to children in their own right and an economic and social investment in our future community and society

“...There are inherent tradeoffs between different aspects of ECEC system. For example, measures to improve the quality of childcare and the standard of learning and development outcomes could often be expected to put additional cost pressures on ECEC providers, therefore working against the achievement of the objective of improving affordability.” (Productivity Issues Paper pg 3)

Improving the quality and standard of learning and development outcomes is surely as important if not, more important than improving affordability. A quality reform process is occurring because the quality of ECEC has not been good enough. All other OECD countries are ahead of Australia in relation to research into the benefits of investing early

Vulnerable children at risk need targeted high quality education and care. They are the children that have the most to gain yet participate the least. Private ECEC have no obligation or incentive to provide care to these children as they are difficult to manage, are unreliable in paying fees and take up places that could be occupied by fee paying parents.

Recommendations

CPS recommends that:

1. The Federal government removes unnecessary red tape and enables targeted “Priority of Access” services annual access to Special Child Care Benefits with unlimited cap on numbers of children at risk attending.
2. Fund focused and targeted services for highly vulnerable children at risk to gain knowledge and understanding on what practice works and what this really costs
3. Explore the funding of 20 hours a week of free childcare to all children across Australia living in families on Health Care Cards
4. Commit to the ongoing support and implementation of the National Quality Framework.
5. Commit financial resourcing to support the professional development and quality of staff service delivery, professional development and practice delivery
6. Child Care Tax Rebate is income tested.

‘We need to turn what we know into what we do. ‘(Jack Shonkoff 2006).