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# PRODUCTIVITY COMMISSION CHILDCARE & EARLY CHILDHOOD LEARNING INQUIRY

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10 February 2014

# About VCOSS

The Victorian Council of Social Service (VCOSS) is the peak body of the social and community sector in Victoria. VCOSS works to ensure that all Victorians have access to and a fair share of the community's resources and services, through advocating for the development of a sustainable, fair and equitable society. VCOSS members reflect a wide diversity, with members ranging from large charities, sector peak organisations, small community services, advocacy groups and individuals involved in social policy debates.

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# Executive Summary

*Promoting the healthy development of children is both an ethical imperative and a critical economic and social investment. A decent and wise society protects and nurtures all its children, particularly those [who experience] disadvantage, so that they grow up to be productive adults and because it's the right thing to do.<sup>1</sup>*

- J Schonkoff and Colleagues at the National Scientific Council on the Developing Child

*A strong foundation in the early years increases the probability of positive outcomes and a weak foundation increases the odds of later difficulties.<sup>2</sup>*

-J Schonkoff

High quality, accessible and affordable ECEC services are both the foundation for the optimal learning and development of children, particularly those who are vulnerable, and are vital drivers of economic growth, productivity and social progress.

VCOSS believes that the central objective of Australia's early childhood education and care (ECEC) system needs to be supporting the learning and development of children and to ensure the system is guided by the best interests of children. By doing this in an effective and responsive way, the needs of families will be better met and the opportunity for children to reach their potential will be optimised.

VCOSS supports the principles outlined in the PriceWaterhouseCoopers paper, *A practical vision for early childhood education and care*, as providing a sound basis for the future development of ECEC service delivery in Australia:

1. The interests of the child are paramount
2. Parents have the primary role in their child's development
3. ECEC services should be universally accessible
4. All ECEC services should be of high quality to support good developmental outcomes.<sup>3</sup>

It is critical to base any reforms to ECEC services on the irrefutable neuroscience evidence regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain. A child's first five years of life is a critical period, and the experiences during this time create a foundation for lifelong learning, behaviour, and both physical and mental health. As Harvard's Professor of Child Health

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<sup>1</sup> J Schonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007.

<sup>2</sup> J Schonkoff et al, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007, p.5.

<sup>3</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p. 8.

and Development, Dr J. Schonkoff states, 'a strong foundation in the early years increases the probability of positive outcomes and a weak foundation increases the odds of later difficulties.'<sup>4</sup>

Recognition is also required of the clear economic and productivity gains for investing in ECEC services, and the significant returns from doing so. Failing to invest in high quality, accessible ECEC services results in much higher costs across a range of other services and government supports later on.

VCOSS strongly believes that regardless of the type of ECEC service, quality is central. For all children in early childhood education and care services, it is the quality of the learning experience that matters most, particularly for the most vulnerable children. VCOSS supports the need for a flexible system that best meets the needs of children and families, and believes that it is critical to maintain high quality standards regardless of the type of ECEC service. Ensuring that all services provide positive learning and development outcomes means that children will receive the best possible start in life.

Vulnerable children benefit the most from high quality ECEC services, and have the highest social returns on investment from participation in quality ECEC services. Vulnerable children are more likely to be exposed to developmental risk factors. Participation in high quality early childhood education and care services can directly negate the impact of these risk factors and deliver life-long benefits. However, many vulnerable children continue to miss out on participating in high quality ECEC services. Urgent steps are required to address the service level – or structural and individual child and family barriers to the participation of vulnerable children in ECEC services to more effectively support their learning and development.

Early childhood education and care services encompass a broad range of services for children and their families, including childcare – which includes family day care, long day care and occasional care services, maternal and child health services, playgroups, and kindergarten (or preschool education). It is important that any policy discussions regarding ECEC services include all types of care arrangements.

The system of rebates and subsidies for ECEC services, including child care, is complex and families can find it very difficult to know what they are entitled to. Significant work is required to simplify the system and improve its effectiveness.

Strong linkages between ECEC services and primary schools are essential to support the major transition to school for children and families. Key enablers are required to effectively support the transition to school, including collaborative approaches between ECEC services and schools, strong engagement with families by the schools and ECEC services, and utilising locally relevant responses based on the needs of children and families.

The 'toxic stress' experienced by many vulnerable children has significant negative impacts on their developing brains. High quality, accessible ECEC services, such as child care, maternal and child health, kindergarten and playgroups, can negate these impacts and support positive brain development.

The universal ECEC service system needs to be strengthened so it is more adaptable and responsive to all children's needs, particularly those who are vulnerable. This needs to include improving service coordination and linkages across the range of services that support the health,

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<sup>4</sup> J Schonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007, p.5.

wellbeing, learning and development of vulnerable children and their families. Integrated services have been demonstrated as a valuable strategy to achieve improved outcomes for children and families. To best support good learning and development outcomes for all children, it is critical to move away from siloed service provision to develop more connected services.

VCOSS believes it is critical to maintain the *National Quality Framework for Early Childhood Education and Care* (NQF) and to continue to implement the NQF within the current timeframes agreed by all Australian governments. Quality ECEC services deliver long term individual and economic and productivity benefits for the nation. To ensure that these benefits are maximised, it is necessary to have a mechanism to monitor and evaluate the quality and effectiveness of the institutions providing ECEC services.

## Recommendations

A summary of the recommendations is provided below.

### 1. Contribution of access to quality ECEC services in optimising children's learning and development

- Optimising the learning, development and life opportunities of children needs to be the paramount purpose of ECEC services, as investment in quality ECEC services delivers benefits for the individual child and their family, as well as clear economic returns for the nation
- Draw on the neuroscience evidence regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain in developing options to improve Australia's ECEC system.
- Clearly recognise the economic and productivity gains for investing in early childhood services as highlighted by the Nobel Laureate in Economics, Professor James Heckman.
- Continue to implement the *National Quality Framework for Early Childhood Education and Care* (NQF) within the timeframes agreed to by all Australian governments.
- Maintain all requirements of the NQF, particularly those for increased qualifications for educators and improved ratios of educators-to-children.
- Continue the current effort and resourcing to further develop the professionalism of the early childhood workforce.
- Ensure the continuity of Universal Access funding and provisions developed through the *National Partnership Agreement on Early Childhood Education* through working with State and Territory governments.
- Draw on the principles outlined in the PriceWaterhouseCoopers paper, *A practical vision for early childhood education and care* in developing options for an early childhood education and care system:
  - The interests of the child are paramount
  - Parents have the primary role in their child's development
  - ECEC services should be universally accessible
  - All ECEC services should be of high quality to support good developmental outcomes<sup>5</sup>
- Utilise a systems thinking approach to develop a central policy framework for ECEC services that provides a broad direction with minimum specifications, and that:

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<sup>5</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p. 8.

- Clearly establishes the direction of change with defined broad outcome goals
- Establishes targets and specify core evaluation requirements based around these broad outcome goals
- Explicitly allows for innovation and experimentation with cause and effect
- Sets boundaries that cannot be crossed by any implementation strategy
- Allocates resources, but without specifying how they should be used – resource use to be determined at the local level
- Incorporates mechanisms to assist in the translation or up-scaling of the learnings from innovative practice - both in terms of what worked well and what did not – more broadly across the system.

## 2. Need for a quality early childhood education and care system

- Draw on the clear national and international evidence that participation in a high quality early learning program has a direct and positive impact on the learning and development outcomes for children, particularly for those who are vulnerable.
- Improve the participation of vulnerable children in high quality early childhood education and care services to negate the impact of the developmental risk factors they experience
- Address the two types of barriers for early childhood education and care services to be more inclusive of vulnerable children: service level (structural) barriers and barriers specific to the child, their family and their situation.
- Develop an integrated culturally appropriate approach to effectively support the participation of Aboriginal and Torres Strait Islander children and families in high quality ECEC services.
- Increase the *Inclusion Support Subsidy* rates to increase the participation in ECEC services by children with disability and/or developmental delay.
- Improve the participation of vulnerable children from families experiencing stressors through developing flexible and integrated ECEC models that link with other support services, such as mental health and family support services.
- Ensure the affordability of quality ECEC services to better support the participation of children from low income families.
- Include all types of ECEC services, including childcare – which includes family day care, long day care and occasional care services, maternal and child health services, playgroups, and kindergarten (or preschool education) in any reforms to promote improved linkages across the ECEC system.
- Develop strong linkages between ECEC services and primary schools to effectively support the major transition to school for children and families, including a emphasis on:
  - Collaborative approaches between ECEC services and schools
  - Strong engagement with families by the schools and ECEC services
  - Utilising locally relevant responses based on the needs of children and families.
- Recognise that vulnerable children benefit the most from quality ECEC services, and have the highest social returns on investment in quality ECEC services.

### **3. Specific models to trial that target vulnerable or at risk children and their families**

- Strengthen universal ECEC services in order for them to be more adaptable and responsive to vulnerable children's needs through addressing the two key types of barriers: service level (structural) barriers and barriers specific to the child, their family and their situation.
- Focus on key aspects to improve outcomes for vulnerable children and families, including:
  - Skilling ECEC staff in working sensitively and proactively with vulnerable children and families
  - Develop effective partnerships across ECEC services, other key support services, such as family support services and mental health services, and schools.
  - Expand or adapt current models of ECEC that are successfully engaging vulnerable children and families.
- Improve the integration across ECEC services and linkages between ECEC services and other services that support the learning and development of children by adopting a systems approach.
- Promote best practice examples to support the improved delivery of high quality, accessible ECEC services across Australia.

### **5. Benefits and other impacts of regulatory changes, including the NQF**

- Recognise the economic return from investment in ECEC services in any analysis of the regulatory impact of the *National Quality Framework for Early Childhood Education and Care* (NQF).
- Continue to implement the NQF within the timeframes agreed by all Australian governments.
- Maintain all requirements of the NQF, particularly those for increased qualifications for educators and improved ratios of educators-to-children.

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# Introduction

VCOSS welcomes the Federal Government's commitment to ensuring a sustainable future for a more flexible, affordable and accessible early childhood education and care (ECEC) system, and its intent that government investment in early childhood learning is maximised to ensure the best possible impact in terms of benefits to families and children as well as the wider economy. VCOSS believes that such an early childhood learning system is critical to supporting the learning, development and life opportunities of children and is a key driver of economic growth.

VCOSS believes that the central objective of Australia's ECEC system needs to be the provision of services that deliver high quality educational experiences focused on optimising the learning and development of children. By doing this in an effective and responsive way, the needs of families will be better met and the opportunity for children to reach their potential will be optimised.

VCOSS acknowledges the importance of both government and non-government sectors in supporting the participation of vulnerable children and their families in ECEC services in order to enable their learning and development opportunities to be maximised.

## **Submission structure**

VCOSS has structured its submission using each of the terms of reference. VCOSS has not provided a response to each of the points under each terms of reference, and has focused on those areas most relevant to ensuring accessibility to high quality early childhood education and care services, particularly for vulnerable children and families.

## **Endorsed submissions**

VCOSS endorses the submissions of the following organisations:

- Community Child Care Victoria
- Early Childhood Intervention Australia
- Early Learning Association of Australia
- Playgroup Australia.

## **Terminology**

VCOSS is concerned at the lack of consistency in the way that early childhood education and care (ECEC) services are referred to throughout the discussion paper, and believes that it will be important to ensure consistency in any further work to progress improvements to Australia's ECEC services to support the learning, development and life opportunities of children.

In this submission, VCOSS uses the terminology of early childhood education and care services (ECEC) to encompass the broad range of services that support the learning, development and wellbeing of children aged 0-5 years, including kindergarten (also referred to as preschool), child care (which includes family day care, long day care and occasional care services), maternal and child health, playgroups, and family day care.

# 1. Contribution of access to quality ECEC services in optimising children's learning and development

*Promoting the healthy development of children is both an ethical imperative and a critical economic and social investment. A decent and wise society protects and nurtures all its children, particularly those [who experience] disadvantage, so that they grow up to be productive adults and because it's the right thing to do.*<sup>6</sup>

- J Shonkoff and Colleagues at the National Scientific Council on the Developing Child

*The first five years matter and last a lifetime.*<sup>7</sup>

- P Winter

High quality, accessible and affordable early childhood education and care services (ECEC) provide a strong foundation for a child's learning, development and life opportunities, as well as being a key driver of economic growth, productivity and social progress.

VCOSS strongly believes that providing high quality affordable and accessible ECEC services for children and families should be not be viewed as primarily as a means of increasing participation in the workforce, particularly for women. Optimising the learning, development and life opportunities of children need to be paramount as investment in quality ECEC services delivers benefits for the individual child and their family, as well as clear economic and productivity returns for the nation.

## Neuroscience evidence

Over the past decade and a half, irrefutable evidence has emerged regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain. In a child's first five years of life, their brain develops rapidly, with its basic architecture being laid, forming billions of cells and trillion of synapses between these cells.<sup>8</sup> It is a critical period, with 'the major neural networks that an

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<sup>6</sup> J Shonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007.

<sup>7</sup> P Winter, *Engaging families in the early childhood development story*, Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA), 2010, p4, [http://www.mceecdya.edu.au/verve/\\_resources/ECD\\_Story-research\\_findings\\_from\\_a\\_survey\\_of\\_parents.pdf](http://www.mceecdya.edu.au/verve/_resources/ECD_Story-research_findings_from_a_survey_of_parents.pdf)

<sup>8</sup> J Shonkoff et al at the National Scientific Council on the Developing Child, *The Science of Early Childhood Development*, 2007, <http://www.developingchild.net>

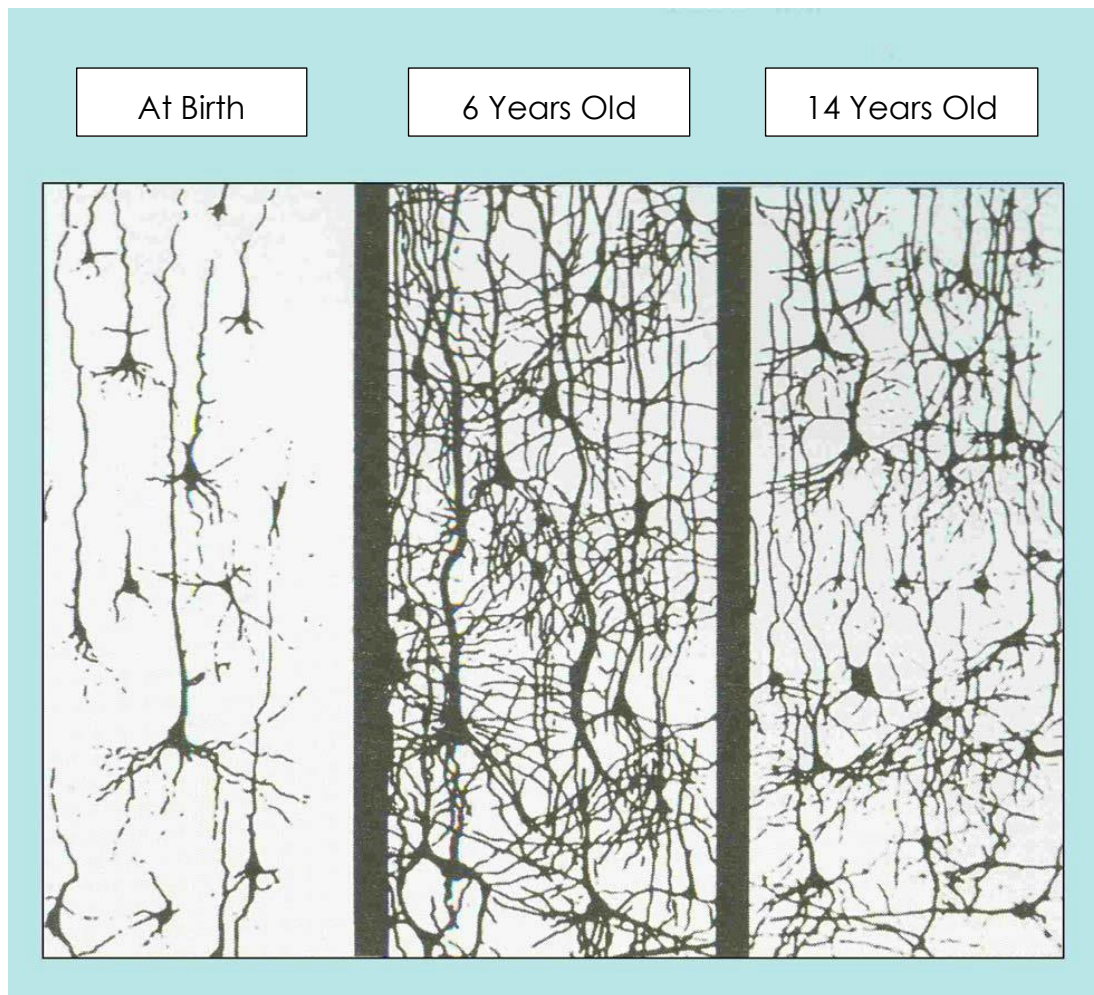
Based on the research of The Child Trauma Academy – [www.ChildTrauma.org](http://www.ChildTrauma.org) – led by Bruce D. Perry, M.D., Ph.D

individual will use for a lifetime being created.<sup>9</sup> As noted by Dr Jack Shonkoff and colleagues at the National Academy of Sciences:

*'Through this process, early experiences create a foundation for lifelong learning, behaviour, and both physical and mental health. A strong foundation in the early years increases the probability of positive outcomes and a weak foundation increases the odds of later difficulties.'*<sup>10</sup>

**Figure 1: Synaptic Density:**

'Synapses are created with astonishing speed in the first three years of life. For the rest of the first decade, children's brains have twice as many synapses as adults' brains.'<sup>11</sup>



<sup>9</sup> B Perry & A Jackson, 'Long and winding road: From neuroscience to policy, program, practice', in *Insight – Vulnerable Children: Better start, Better lives*, Victorian Council of Social Service, Melbourne, January 2014.

<sup>10</sup> J Shonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007, p.5.

<sup>11</sup> R Shore, *Rethinking the brain*, Families and Work Institute, New York, 1997.

## Economic contribution of quality, accessible ECEC services

*Investing in early childhood education and care has positive social and economic benefits, with each dollar invested returning up to \$16, particularly for children from disadvantaged backgrounds.*<sup>12</sup>

- Committee for Economic Development

Early learning not only supports the development of cognitive, social, emotional and motivational skills, but also drives later learning and achievement, which in turn contributes to the 'human capital' that underpins the economic wellbeing of the broader community.<sup>13</sup>

- PriceWaterhouseCoopers

VCOSS wishes to specifically note that there are also clear economic and productivity gains for investing in early childhood education and care services. Professor James Heckman, a Nobel Laureate in Economics, clearly articulated that early childhood development directly influences economic, health and social outcomes for individuals and societies.<sup>14</sup>

Heckman highlighted that investment in kindergarten (or preschool) delivered a higher rate of return than for schooling or job training, as:

*Skill begets skill and early skill makes later skill acquisition easier. Remedial programs in the adolescent and young adult years are much more costly in producing the same level of skill attainment in adulthood. Most are economically inefficient.*<sup>15</sup>

The Victorian Government has recognised that the economic return of investing in high quality early childhood development services consistently exceeds three to one.<sup>16</sup> United States research shows that the economic benefits for government can be up to sixteen times the cost of the initial investment, and can halve welfare dependency.<sup>17</sup>

The Business Council of Australia (BCA) has also highlighted the economic value of investment in ECEC services, noting the importance of getting the foundation skills right for a strong modern economy.<sup>18</sup> Indeed, PriceWaterhouse Coopers stressed that:

*The creation of an integrated early childhood education and care system ... is one of the key issues for Australia's social and economic development into the 21st Century.*<sup>19</sup>

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<sup>12</sup> Committee for Economic Development, *The economic promise of investing in high-quality preschool: using early education to improve economic growth and the fiscal sustainability of states and the nation*, 2006, Washington, United States, p.3.

<sup>13</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.12.

<sup>14</sup> For detailed information, see The Heckman Foundation: <http://heckmanequation.org/>

<sup>15</sup> J Heckman, 'Investing in economically disadvantaged young children is an economically efficient policy', presented at the Committee for Economic Development forum, *Building the economic case for investments in preschool*, New York, January 10, 2006, p.7, [http://jenni.uchicago.edu/Australia/invest-disadv\\_2005-12-22\\_247pm\\_awb.pdf](http://jenni.uchicago.edu/Australia/invest-disadv_2005-12-22_247pm_awb.pdf)

<sup>16</sup> Council of Australian Governments, *National Reform Agenda: Victoria's plan to improve outcomes in early childhood*, March 2007.

<sup>17</sup> W S Barnett, 'Early childhood education', In A Molnar, Ed, *School reform proposals: the research evidence*, p.1-26, Greenwich, CT: Information Age Publishing, 2002.

<sup>18</sup> Business Council of Australia, *Action Plan for Enduring Prosperity*, Melbourne, July 2013.

<sup>19</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.3.

All evidence points to how early childhood experiences, both positive and negative, impact on a child's brain development, and have long-term impacts on a child's cognitive and social functioning. Investing in high quality, accessible ECEC services delivers benefits for the individual and significant economic returns. Failing to do so, results in much higher costs across a range of other services later on: 'trying to change behavior [sic] or build new skills on a foundation of brain circuits that were not wired properly when they were first formed requires more work and is more "expensive."' <sup>20</sup>

It is concerning that despite the clear neuroscience and economic evidence, Australia's expenditure on early childhood education and care services is extraordinarily low in comparison to other countries, with 'public expenditure on pre-primary education as a percentage of GDP lagging behind most other OECD countries, including nations as diverse as Mexico and Korea.' <sup>21</sup>

## Optimising children's learning and development

For all children in early childhood education and care (ECEC) services, it is the quality of the learning experience that matters most, particularly for the most vulnerable children. Key national reforms over recent years are driving significant improvements in the quality and accessibility of ECEC services – including across kindergartens, long day care, and family day care.

### National Quality Framework for ECEC

The *National Quality Framework for Early Childhood Education and Care* (NQF) commenced operation in January 2012, and aims to ensure that children in early childhood education and care services, incorporating long day care, family day care, preschool and kindergarten, and outside schools hours care services, receive a high quality of care and education. The new standards require improved educator-to-child ratios and more educators with increased skills and qualifications, and will help to ensure all ECEC services meet the individual educational, health and wellbeing needs of children.

Central to the NQF quality improvements has been the requirement for higher level qualifications for educators and an increase in educator-to-child ratios. Evidence points to the positive link between the qualification levels of staff and ratings of service quality. United Kingdom research demonstrated that qualified teachers in preschool settings 'had the greatest impact on quality and was linked specifically with better outcomes in pre-reading and social development.' <sup>22</sup> Ongoing effort and resourcing is required to continue to develop the professionalism of the ECEC workforce so as to ensure the provision of high quality services to children and their families.

A more detailed discussion of the *National Quality Framework for Early Childhood Education and Care* is provided in section 5 of this submission – *Benefits and other impacts of regulatory changes, including the NQF*.

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<sup>20</sup> J Schonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007: <http://www.developingchild.net>

<sup>21</sup> Kindergarten Parents Victoria [now Early Learning Association of Australia], *Submission to the Productivity Commission Education and Training Workforce: Early Childhood Development Issues Paper*, 2011, available at: <http://www.pc.gov.au/projects/study/education-workforce/early-childhood/submissions>

<sup>22</sup> K Sylva, E Melhuish, P Sammons, I Siraj-Blatchford & B Taggart, *The Effective provision of pre-school education (EPPE) project: Findings from Pre-school to end of Key Stage 1*, 2012: <http://eppe.ioe.ac.uk/eppe/eppepdfs/RBTec1223sept0412.pdf>



## Universal access

The *National Partnership Agreement on Early Childhood Education*, known as *Universal Access*, was signed in December 2008 to improve the supply and integration of early childhood services, including child care and early learning and development, through the delivery of universal access to quality early childhood education in the year before full time schooling.

Under the Agreement, a preschool program is to be delivered by a four year university qualified early childhood teacher for 15 hours a week, 40 weeks a year that will be accessible across a diversity of settings, in a form that meets the needs of parents and in a manner that ensures cost does not present a barrier to access.<sup>23</sup> The Agreement was based on the evidence that early childhood is a critical time in human development, with the:

*Experiences children have in the early years of life [setting] neurological and biological pathways that can have life-long impacts on health, learning and behaviour ... [and the] compelling international evidence about the returns on investment in early childhood services for children from disadvantaged backgrounds, including the work of Nobel Laureate James Heckman.*<sup>24</sup>

Victoria's leadership in securing the introduction of *Universal Access*, now sees an estimated 97 per cent of Victorian services providing 15 hours of kindergarten, delivered by a university trained early childhood teacher, to four year old children for 40 weeks in the year before school.

Participation in a quality kindergarten program is beneficial for children, including supporting better intellectual development and independence, social skills, cognitive development and preparation for success in school.<sup>25</sup> Research by the Melbourne Institute of Applied Economic and Social Research using the *Longitudinal Survey of Australian Children (LSAC)*, demonstrates the advantage that kindergarten attendance has on Year 3 NAPLAN results across all domains of numeracy, reading, spelling, writing, grammar and punctuation, with the advantage being equivalent to 10 to 15 NAPLAN points, or the equivalent of 15 to 20 weeks of schooling at the Year 3 level.<sup>26</sup>

Improving participation in early learning programs benefit all children's learning, health and behaviour outcomes, and is particularly important for vulnerable children. In recognition of this, the Victorian Government provides the *Early Start Kindergarten* program to three year old Aboriginal and Torres Strait Islander children and children known to child protection (this is discussed more fully in section 3).

VCOSS believes it is essential to capitalise on the significant investment already made and for the Federal Government to continue to work with State and Territory governments to ensure the continuity of *Universal Access* funding and provisions.

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<sup>23</sup> Council of Australian Governments, *National Partnership Agreement on Early Childhood Education*, December 2008, [http://www.federalfinancialrelations.gov.au/content/npa/education/early\\_childhood/national\\_partnership.pdf](http://www.federalfinancialrelations.gov.au/content/npa/education/early_childhood/national_partnership.pdf)

<sup>24</sup> Council of Australian Governments, *National Partnership Agreement on Early Childhood Education*, December 2008, [http://www.federalfinancialrelations.gov.au/content/npa/education/early\\_childhood/national\\_partnership.pdf](http://www.federalfinancialrelations.gov.au/content/npa/education/early_childhood/national_partnership.pdf), p.3.

<sup>25</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013;

<sup>26</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013, p.40.

## ECEC future directions

In developing options for a quality, affordable and accessible early childhood education and care system, VCOSS urges the Commission to draw on the principles outlined in the PriceWaterhouseCoopers paper, *A practical vision for early childhood education and care*:

1. The interests of the child are paramount
5. Parents have the primary role in their child's development
6. ECEC services should be universally accessible
7. All ECEC services should be of high quality to support good developmental outcomes.<sup>27</sup>

The recommendations included in this paper build on these principles to provide a solid basis for ECEC services in Australia:

- Expand the commitment to measures that drive quality improvement
- Flexible funding driven by the needs of families and children
- Strategic monitoring and engagement to ensure the right services are available in the right places
- Investment levels that match the importance of ECEC.

Also important in developing options for Australia's ECEC system is to utilise a system thinking approach, which deals with complexity by looking at issues holistically, rather than seeking to divide an issue into manageable, but separate elements. This involves significant change from the traditional approach and processes employed by government in that:

- Interventions should be based upon learning what works, on an ongoing basis, rather than specifying targets to be met
- The priority should be to improve overall system performance
- The policy making process should focus on the processes of improvement, rather than the control of the agencies involved
- Engagement with agents and stakeholders should be based more upon listening and co-researching rather than on telling and instructing
- Implementation would deliberately foster innovation and include evaluation and reflection as part of the overall design.<sup>28</sup>

Systems thinking resonates in relation to ECEC services given the complexity of the service systems involved in promoting the health, wellbeing, safety, learning and development of children and their families and the need to bring together diverse partners who may approach the issues from different perspectives. Systems thinking can be applied in the ECEC context through the development of a central government policy framework that clearly articulates a broad direction and which enables local flexibility and adaptability, so as to drive improved health, wellbeing, safety, learning and development outcomes for all children, including vulnerable children. A central policy framework should provide a broad direction with minimum specifications, and should:

- Clearly establish the direction of change with defined broad outcome goals
- Establish targets and specify core evaluation requirements based around these broad outcome goals
- Explicitly allow for innovation and experimentation with cause and effect
- Set boundaries that cannot be crossed by any implementation strategy

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<sup>27</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p. 8.

<sup>28</sup> J Chapman, *System failure: Why Governments must learn to think differently*, Demos, London, 2004, p.19.



- Allocate resources, but without specifying how they should be used, resource use to be determined at the local level
- Incorporate mechanisms to assist in the translation or up-scaling of the learnings from innovative practice - both in terms of what worked well and what did not – more broadly across the system.<sup>29</sup>

## Recommendations

- Optimising the learning, development and life opportunities of children needs to be the paramount purpose of ECEC services. Investment in quality ECEC services delivers benefits for the individual child and their family, as well as clear economic returns for the nation
- Draw on the neuroscience evidence regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain.
- Clearly recognise the clear economic and productivity gains for investing in early childhood services as highlighted by the Nobel Laureate in Economics, Professor James Heckman.
- Continue to implement the *National Quality Framework for Early Childhood Education and Care* (NQF) within the timeframes agreed to by all Australian governments.
- Maintain all requirements of the NQF, particularly those for increased qualifications for educators and improved ratios of educators-to-children.
- Continue the current effort and resourcing to further develop the professionalism of early childhood workforce.
- Ensure the continuity of Universal Access funding and provisions (developed through the *National Partnership Agreement on Early Childhood Education*) through working with State and Territory governments.
- Draw on the principles outlined in the PriceWaterhouseCoopers paper, *A practical vision for early childhood education and care* in developing options for an early childhood education and care system:
  - The interests of the child are paramount
  - Parents have the primary role in their child's development
  - ECEC services should be universally accessible
  - All ECEC services should be of high quality to support good developmental outcomes
- Utilise a systems thinking approach to develop a central policy framework for ECEC services that provides a broad direction with minimum specifications, and that:
  - Clearly establishes the direction of change with defined broad outcome goals
  - Establishes targets and specify core evaluation requirements based around these broad outcome goals
  - Explicitly allows for innovation and experimentation with cause and effect
  - Sets boundaries that cannot be crossed by any implementation strategy
  - Allocates resources, but without specifying how they should be used – resource use to be determined at the local level
  - Incorporates mechanisms to assist in the translation or up-scaling of the learnings from innovative practice - both in terms of what worked well and what did not – more broadly across the system.

<sup>29</sup> C Atkins, in R Black, Ed, *New school ties: Networks for success*, Foundation for Young Australians, Melbourne, 2008.

## 2. Need for a quality early childhood education and care system

*Government's must recognise that effective investments in the early years are a cornerstone of human development and central to the successfulness of societies.<sup>30</sup>*

- World Health Organisation's Commission on the Social Determinants of Health

*Children learn both within and outside the home. While the family environment is very important to future learning, participation in high quality early childhood education and care services (ECEC) is also key to enabling children to perform well at school and to learn the skills required for their future lives.<sup>31</sup>*

- State of Victoria's Children Report 2012: Early Childhood

In this section, VCOSS has focused its response on part 2:

*(c) Accessibility of affordable early childhood learning services*

*(d) Types of care available*

*(h) Rebates and subsidies available for each type of care*

*(i) Capacity of existing system to ensure children transfer from ECEC services to school with a satisfactory level of preparedness*

*(j) Opportunities to improve connections and transitions across early childhood services*

*(k) The needs of vulnerable or at risk children.*

Early childhood education and care services, from the prenatal period to the first years of school, are now well-recognised as critical to supporting children's healthy development and for their development as healthy, well-functioning adults.<sup>32</sup>

There is clear national and international evidence that participation in a high quality early learning program has a direct and positive impact on the learning and development outcomes for children, particularly for those who are vulnerable, supporting better intellectual development and

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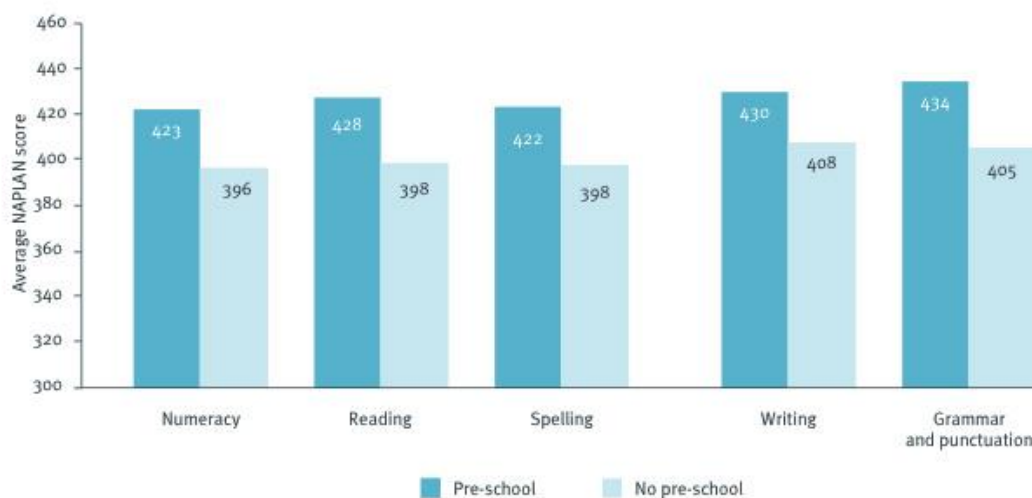
<sup>30</sup> L Irwin, A Siddiqi & C Hertzman, *Early childhood development: a powerful equalizer*, Final report for the World Health Organisation's Commission on the Social Determinants of Health, Human Early Learning Partnership, June 2007, p.15.

<sup>31</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013, p.38.

<sup>32</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011; Department of Premier and Cabinet, *Victoria's plan to improve outcomes in early childhood: National Reform Agenda*, State of Victoria, 2007.

independence, social skills, cognitive development and preparation for success in school.<sup>33</sup> For example, United Kingdom research demonstrated that participation in quality early learning programs directly contributed to better cognitive and social behavioural outcomes in children up to age 11 years, particularly those who were vulnerable.<sup>34</sup> Further, research by the Melbourne Institute of Applied Economic and Social Research using the *Longitudinal Survey of Australian Children* (LSAC), demonstrates the advantage that kindergarten attendance has on Years 3 NAPLAN results across all domains of numeracy, reading, spelling, writing, grammar and punctuation, with the advantage being equivalent to 10 to 15 NAPLAN points, or the equivalent of 15 to 20 weeks of schooling at the Year 3 level.<sup>35</sup>

**Figure 2: Average NAPLAN scores in Year 3, by preschool attendance, Australia<sup>36</sup>**



<sup>33</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013;

<sup>34</sup> K Sylva, E Melhuish, P Sammons, I Siraj-Blatchford & B Taggart, *The Effective provision of pre-school education (EPPE) project: Findings from Pre-school to end of Key Stage 1*, 2012: <http://eppe.ioe.ac.uk/eppe/eppepdfs/RBTec1223sept0412.pdf>

<sup>35</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013, p.40.

<sup>36</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013.

## c) Accessibility of affordable quality early childhood education and care services

*ECEC services must be readily accessible to families regardless of their ability to pay or their employment circumstances.*<sup>37</sup>

- PriceWaterhouseCoopers

Good quality early childhood education and care services promote a young child's learning, development and wellbeing as well as positively influencing their longer-term health, education and quality of life, particularly for vulnerable children.<sup>38</sup> Vulnerable children benefit the most from quality ECEC services, and have the highest social returns on investment from participation in quality early childhood services.

Vulnerable children are more likely to be exposed to developmental risk factors.<sup>39</sup> Participation in high quality early childhood ECEC services can directly negate the impact of these risk factors and deliver life-long benefits.

However, many vulnerable children continue to miss out on participating in high quality ECEC services. For example, in Victoria, the Victorian Auditor-General noted that, by 18 months, almost 30 per cent of all children and families no longer participate in the Maternal and Child Health Service for a range of reasons, including location of centres, appointment times, costs of travel and parental work commitments.

The *Breaking Cycles, Building Futures* report identified two types of barriers that need to be addressed for ECEC services to be more inclusive of vulnerable children: service level (structural) barriers and barriers specific to the child, their family and their situation.

Service level – structural – barriers include:

- Issues of cost
- Lack of service promotion and community profile
- Poor physical accessibility and lack of access to transport options
- Lack of service availability or inappropriate opening hours and appointment scheduling
- Poor service quality
- Services that have low levels of cultural competence
- Insensitive attitudes and behaviours of service staff.

Child and family specific barriers include:

- Increased difficulties of access associated with children who have additional needs
- Transience and homelessness
- Impact of mental health problems and stress
- Family not valuing ECEC services.

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<sup>37</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.9.

<sup>38</sup> Victoria's Auditor General's Office, *Early Childhood Development Services: Access and quality*, 2011, Melbourne.

<sup>39</sup> Centre for Community Child Health, *The impact of poverty on early childhood development*, Centre for Community Child Health, Policy Brief No 14, 2009.

Specific groups of vulnerable children continue to miss out on participating in high quality early childhood education and care services, including Aboriginal and Torres Strait Islander children, children with disability and/or developmental delay, children in high-risk groups, children in rural areas, and children from low income families.

### **Aboriginal and Torres Strait Islander children**

Aboriginal and Torres Strait Islander children experience substantial inequalities in health, educational and social outcomes compared to both non-Aboriginal children and Indigenous children in other developed nations.<sup>40</sup> In Victoria, 16.5 per cent of Aboriginal children aged 1 to 14 years had aspects of their health that led to concerns about their learning, nationally it is 14.1 per cent.<sup>41</sup> Aboriginal and Torres Strait Islander children and families can experience difficulties in accessing ECEC services where there is a lack of cultural sensitivity, where there is limited ability to provide them with ongoing support, where there are waiting lists, and where they have not been identified – such as by maternal and child health services or family support services, as needing assistance. An integrated culturally appropriate approach is required to effectively support the participation of Aboriginal and Torres Strait Islander children and families in ECEC services.

### **Children with disability and/or developmental delay**

Many children with disability and/or developmental delay are denied access to ECEC services. As noted by Early Childhood Intervention Australia (ECIA), this was reinforced by the Productivity Commission's 2011 report into the Early Childhood Workforce that found that 'significant gaps exist between the early childhood education and care opportunities for children with additional needs and those of other children.'<sup>42</sup> The Inclusion Support Subsidy rates need to be increased to increase the participation in ECEC services by children with disability and/or developmental delay.

### **Children in high risk groups**

The family environment influences child health and wellbeing, learning and development. Research highlights the negative developmental impacts on children where they are exposed to stressors in the family environment such as family violence, substance abuse, parental mental illness and gambling problems. By intervening early to improve family stability, problems can be addressed before they require costly and intensive human services to get a child back on track.

Early childhood education and care services can play a critical role in providing support to vulnerable children. However many families experiencing such stressors experience difficulties in participating in ECEC services. Flexible and integrated models are required to more effectively support their participation. It is critical that any targeted approaches are closely linked and work collaboratively with universal ECEC services.

A more detailed discussion regarding the impact of stressors in the family environment on the developing child is provided in section 2(k) The needs of vulnerable or at risk children.

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<sup>40</sup> Department of Education and Early Childhood Development, *State of Victoria's Children 2009 – Aboriginal*, Melbourne, 2010.

<sup>41</sup> Department of Education and Early Childhood Development, *State of Victoria's Children 2009 – Aboriginal*, Melbourne, 2010, p.186.

<sup>42</sup> Productivity Commission, *Early Childhood Development Workforce: Research Report*, Melbourne, 2011.

## Children in rural areas

Rural and regional areas of Victoria, as elsewhere in Australia, experience relatively higher rates of socioeconomic disadvantage when compared with metropolitan Victoria.<sup>43</sup> Rural families may miss out or face long distances and travelling times to access ECEC services, although in Victoria participation rates in Victoria's Maternal and Child Health service and in kindergarten are higher in rural and regional Victoria.<sup>44</sup> As noted by Early Learning Association Australia (ELAA), some rural services also struggle to attract and retain staff and to provide extended hours of care for smaller numbers of families.

## Children in low income families

Children in low income families can experience barriers to participation in early childhood education and care services, particularly in relation to costs. If families are required to pay to participate, many vulnerable children will not have the chance to attend, and the resulting benefits will be lost to both them and to the nation.

As noted by ELAA, child care assistance in the form of the Child Care Benefit (CCB) and the Child Care Rebate (CCR) is designed to facilitate the participation of parents in the workforce and to support children's social and intellectual development. However, CCB and the CCR do not make childcare affordable for all families. For example, some families on low incomes do not qualify for the maximum amount of CCB and are ineligible for the Jobs, Education and Training (JET) Child Care Fee Assistance to cover some of the 'gap fee'. These families – sometimes described as the "working poor" – struggle to afford to send their children to child care. VCOSS refers the Commission to the submission from ELAA for further detail regarding the CCB and CCR.

Ensuring the affordability of quality ECEC services is critical for vulnerable children, as research shows that it makes the most significant difference for them.

## (d) Types of care available

Early childhood education and care services encompass a broad range of services for children and their families, including family day care, long day care and occasional care services, maternal and child health services, playgroups, and kindergarten (or preschool education). Children in Victoria experience a range of care arrangements, both formal and informal, and there is a diverse range of providers of early childhood education and care services.

It is important that any policy discussions regarding ECEC services include all types of care arrangements. Not to do so will continue to reinforce the fragmentation that currently exists across ECEC services. To improve outcomes for children and to better assist families, focused effort is required to ensure that families are able to easily access the services they need.

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<sup>43</sup> Department of Education and Early Childhood Development, *State of Victoria's Children 2011: Rural and Regional Victoria*, Melbourne, 2012.

<sup>44</sup> Department of Education and Early Childhood Development, *State of Victoria's Children 2011: Rural and Regional Victoria*, Melbourne, 2012.

## (h) Rebates and subsidies available for each type of care

The Australian Government provides two types of assistance to families to assist in covering the costs of child care:<sup>45</sup>

- Child Care Benefit: The Child Care Benefit is a means tested payment that is paid directly to the child care provider to reduce the upfront cost of the child care to eligible families. Eligible families receive assistance for up to 24 hours of care per week, and up to 50 hours of care if they are engaged in at least 15 hours per week of work, training or study.
- Child Care Rebate: The Child Care Rebate can be paid in addition to the Child Care Benefit and is not means tested. The Child Care Rebate covers up to 50 per cent of the out of pocket childcare cost up to \$7,500 annually for children in approved childcare.

The Commonwealth also provides some assistance directly to providers of child care services, including through the Child Care Services Support Program and the Inclusion Support Subsidy.

Additional payments are available from the Commonwealth Government, including the Special Child Care Benefit. The Special Child Care benefit is available to parents eligible for the Child Care Benefit for up to 13 weeks a financial year in the event of exceptional circumstances. It can cover the costs of extra child care for families experiencing hardship that substantially reduces their capacity to pay their usual child care fees, or for children who are at risk of serious abuse and neglect.

However, due the complexity of the system, most families are generally unaware of these additional payments and can find it very difficult to know what they are entitled to. The instruction sheet on the Special Child Care Benefit highlights the complexity of these additional payments.<sup>46</sup>

The ELAA submission provides further detail regarding rebates and subsidies for each type of care. VCOSS supports the recommendations ELAA makes to address the issues identified.

## (i) Capacity of existing system to ensure children transfer from ECEC services to school with a satisfactory level of preparedness

## (j) Opportunities to improve connections and transitions across early childhood services

Evidence clearly highlights that childhood development at the commencement of school has a strong relationship to how they continue through primary school, and that high quality early learning experiences are critical to optimising a child's learning outcomes. Children who participate in a minimum of one year's kindergarten (or preschool program) have 'on average

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<sup>45</sup> [www.mychild.gov.au/childcarerebate](http://www.mychild.gov.au/childcarerebate)

<sup>46</sup> Department of Education, Employment and Workplace Relations, *Instruction Sheet 8, Special Child Care Benefit*: [docs.education.gov.au/system/files/doc/other/ccms\\_instruction\\_sheet\\_8\\_special\\_child\\_care\\_benefit.pdf](https://docs.education.gov.au/system/files/doc/other/ccms_instruction_sheet_8_special_child_care_benefit.pdf)



higher overall development, learning and cognitive and social-emotional outcomes than those children who do not.<sup>47</sup>

Strong linkages between early childhood education and care services and primary schools are essential to effectively support the major transition to school for children and families. The Centre for Community Child Health has identified that 'it is important that discontinuities around learning, relationship building and support systems are minimised.'<sup>48</sup>

In Victoria, the *Transition: a Positive Start to School Guide* has been developed, which provides information on:

- The transition to school context and approach
- Transition to school programs
- The Transition Learning and Development Statement.<sup>49</sup>

Alongside this Guide, *Transition Learning and Development Statements* are developed for all children transitioning to school from an ECEC service. The Statements are intended to support the consistent transfer of information, irrespective of the school a child is going to. The information in the Statement:

- Summarises the strengths of a child's learning and development as they enter school
- Identifies their individual approaches to learning and interests
- Indicates how the child can be supported to continue learning.<sup>50</sup>

The information in the Statement assists Prep teachers to get to know the children entering their classes before they start; and to plan for each child's learning and development when they start school.

The Centre for Community Child Health undertook the *Linking Schools and Early Years* project between 2006 and 2012 to identify strategies to ensure that all children enter the formal education system ready to engage with the many opportunities offered by their new learning environment. Key elements that improved linkages across ECEC services and schools and that supported an effective transition included:

- A collaborative approach between ECEC services and schools
- Strong engagement with families by the schools and ECEC services
- Utilising locally relevant responses based on the needs of children and families.

Further discussion regarding the *Linking Schools and Early Years* project is included in section three.

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<sup>47</sup> C Gong, J McNamara & R Cassells, AMP.NATSEM Income and Wealth Report: Issue 28 - Little Australians: differences in early childhood development, Sydney, AMP.NATSEM, April 2011.

<sup>48</sup> Centre for Community Child Health, Policy Brief No 11: Rethinking the transition to school – Linking schools and early years services, Melbourne, 2008, [www.rch.org.au/ccch/policybriefs.cfm](http://www.rch.org.au/ccch/policybriefs.cfm)

<sup>49</sup> Department of Education and Early Childhood Development – see: <http://www.education.vic.gov.au/childhood/professionals/learning/Pages/transguide.aspx>

<sup>50</sup> Department of Education and Early Childhood Development, Transition Learning and Development Statements – see: <http://www.education.vic.gov.au/childhood/professionals/learning/Pages/transitionstat.aspx>



## (k) The needs of vulnerable or at risk children

*Early intervention through the provision of early childhood services is an important instrument for reducing the negative developmental impacts of disadvantage, and disrupting patterns of poverty and inequality that begin in early childhood.*<sup>51</sup>

- PriceWaterhouseCoopers

*Children who start ahead keep accelerating past their peers, widening the gap ... Early advantages accumulate, so do early disadvantages ... The best way to improve the schools is to improve the early environments of the children sent to them.*<sup>52</sup>

- J Heckman & D Masterov

As previously noted, over the past decade and a half, irrefutable evidence has emerged regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain. As noted by Dr Jack Shonkoff and colleagues at the National Academy of Sciences:

*A strong foundation in the early years increases the probability of positive outcomes and a weak foundation increases the odds of later difficulties.*<sup>53</sup>

Evidence clearly points to the impact that severe or 'toxic' stress has on the developing child's brain.<sup>54</sup> All children experience stress in their lives, such as adult limit-setting, meeting new people, and dealing with frustration. Known as positive stress, it involves moderate, short-lived stress responses. Such stress is an important and necessary aspect of healthy development that occurs in the context of stable and supportive relationships. The next level of stress is 'tolerable stress', which involves stress responses that could disrupt brain architecture but are buffered by supporting relationships that facilitate adaptive coping.

Toxic stress involves strong and prolonged activation of the body's stress management systems in the absence of the buffering protection of adult support. Precipitants include extreme poverty, physical or emotional abuse, chronic neglect, severe maternal depression, substance abuse or family violence. Toxic stress disrupts the brain architecture and leads to stress management systems that respond at relatively lower thresholds, thereby increasing the risk of stress-related physical and mental illness.

The image below graphically shows the difference between the brain of a three year old who has experienced extreme neglect and a 'normally developed' three year old.<sup>55</sup>

**Figure 3: Difference between the brain of a three year old who has experienced extreme neglect and a 'normally developed' three year old**

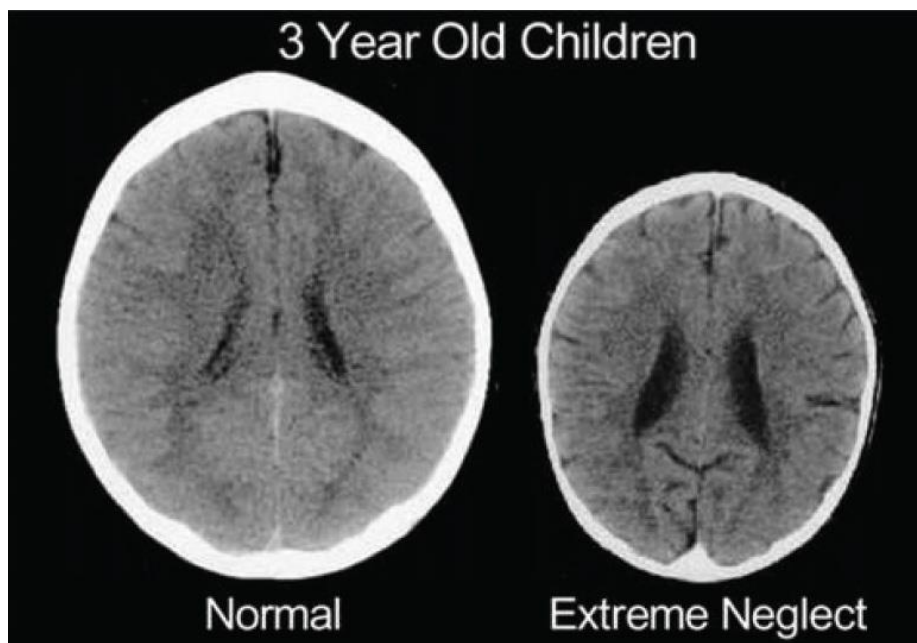
<sup>51</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.13.

<sup>52</sup> J Heckman & D V Masterov, *The productivity argument for investing in young children*, 2005,

<sup>53</sup> J Shonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007, p.5.

<sup>54</sup> J Shonkoff, *The Science of Early Childhood Development: Closing the gap between what we know and what we do*, Presentation at the Department of Human Services forum *Putting Children First: Their future Our future*, 3 March 2006, Melbourne.

<sup>55</sup> Based on the research of The Child Trauma Academy ( [www.ChildTrauma.org](http://www.ChildTrauma.org) ) led by Bruce D. Perry, M.D., Ph.D. Image: <http://www.earlyhomelearning.org.uk/brainDevelopment>.



All evidence points to how early childhood experiences, both positive and negative, impact on a child's brain development, and have long-term impacts on a child's cognitive and social functioning. Investing in high quality, accessible ECEC services, such as maternal and child health, playgroup, child care, and kindergarten, delivers benefits for the individual and significant economic returns. Failing to do so, results in much higher costs across a range of other services later on:

*Trying to change behavior [sic] or build new skills on a foundation of brain circuits that were not wired properly when they were first formed requires more work and is more "expensive."<sup>56</sup>*

Vulnerable children benefit the most from quality ECEC services, and have the highest social returns on investment in quality ECEC services. The follow-up data of the *Perry Preschool Project*, a high-quality preschool for children from disadvantaged backgrounds showed that at age 40 a total benefit-cost ratio of 17:1 – 4:1 for participants and 13:1 for the public: public benefits included higher tax revenues and lower costs for special education, government assistance and incarceration rates.<sup>57</sup>

Quality, accessible universal ECEC services also have an important role to play in identifying vulnerable children, so as to ensure that any additional supports can be provided so as to best support their learning and development.

## Recommendations

- Draw on the clear national and international evidence that participation in a high quality early learning program has a direct and positive impact on the learning and development outcomes for children, particularly for those who are vulnerable.

<sup>56</sup> J Shonkoff et al at the National Scientific Council on the Developing Child, *From neurons to neighbourhoods: The science of early childhood development*, National Academy of Sciences, Washington DC, 2007: <http://www.developingchild.net>

<sup>57</sup> J Shonkoff, *The Science of Early Childhood Development: Closing the gap between what we know and what we do*, Presentation at the Department of Human Services forum *Putting Children First: Their future Our future*, 3 March 2006, Melbourne.

For further information on the Perry PreSchool Project see: <http://evidencebasedprograms.org/1366-2/65-2>

- Improve the participation of vulnerable children in high quality early childhood education and care services to negate the impact of the developmental risk factors they experience
- Address the two types of barriers for early childhood education and care services to be more inclusive of vulnerable children: service level (structural) barriers and barriers specific to the child, their family and their situation.
- Develop an integrated culturally appropriate approach to effectively support the participation of Aboriginal and Torres Strait Islander children and families in early childhood education and care services.
- Increase the *Inclusion Support Subsidy* rates need to increase the participation in ECEC services by children with disability and/or developmental delay.
- Improve the participation of vulnerable children from families experiencing stressors through developing flexible and integrated ECEC models that link with other support services, such as mental health and family support services.
- Ensuring the affordability of quality ECEC services to better support the participation of children from low income families.
- Include all types of ECEC services, including childcare – which includes family day care, long day care and occasional care services, maternal and child health services, playgroups, and kindergarten (or preschool education) in any reforms to promote improved linkages across the system.
- Develop strong linkages between early childhood education and care services and primary schools to effectively support the major transition to school for children and families, including a emphasis on:
  - Collaborative approaches between ECEC services and schools
  - Strong engagement with families by the schools and ECEC services
  - Utilising locally relevant responses based on the needs of children and families.
- Draw on the neuroscience evidence regarding the importance of early childhood development in supporting positive lifelong outcomes and, in particular, the impact of disadvantage on the developing brain, in developing options to improve Australia's ECEC system.
- Recognise that vulnerable children benefit the most from quality ECEC services, and have the highest social returns on investment in quality ECEC services.

### 3. Specific models to trial that target vulnerable or at risk children and their families

*Addressing disadvantage in the early years can end generations of disengagement for individual families and whole communities, and provide children with the opportunity to break the cycle of disadvantage.*<sup>58</sup>

- Victorian Department of Premier and Cabinet

The early years of life are crucial for children's development. Children who are experiencing disadvantage are more likely to be exposed to developmental risk factors.<sup>59</sup> Participation in high quality early childhood education and care programs can deliver life-long benefits, particularly for vulnerable children.

However vulnerable children and families can experience barriers to participation in quality ECEC services. The *Breaking Cycles, Building Futures* report identified two types of barriers that need to be addressed for early childhood education and care services to be more inclusive of vulnerable children: service level (structural) barriers and barriers specific to the child, their family and their situation.

Service level – structural – barriers include:

- Issues of cost
- Lack of service promotion and community profile
- Poor physical accessibility and lack of access to transport options
- Lack of service availability or inappropriate opening hours and appointment scheduling
- Poor service quality
- Services that have low levels of cultural competence
- Insensitive attitudes and behaviours of service staff.

Child and family specific barriers include:

- Increased difficulties of access associated with children who have additional needs
- Transience and homelessness
- Impact of mental health problems and stress
- Family not valuing ECEC services.

The Centre for Community Child Health promotes the importance of strengthening the universal ECEC service system to be more adaptable and responsive to all children's needs and to lever the

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<sup>58</sup> Department of Premier and Cabinet, *National Reform Agenda: Victoria's Plan to Improve Outcomes in Early Childhood*, Victorian Government, March 2007, p.11.

<sup>59</sup> Centre for Community Child Health, *The impact of poverty on early childhood development*, Centre for Community Child Health, Policy Brief No 14, 2009.

skills and expertise of specialists to support and coach those who work within universal settings as the most effective way to address service barriers.<sup>60</sup> The Centre identifies that focusing on three key aspects in universal settings is more likely to be effective in improving outcomes for vulnerable children and families than targeted settings:

- ECEC staff require skills in working sensitively and proactively with parents;
- Models and policies are required that foster and promote parental empowerment; and
- Partnerships across ECEC services and other key support services are more likely to be effective.

To best support vulnerable children to fully participate in universal early childhood education and care services, strategies are required that address both service barriers and also improve the system interface between early childhood education and care and other key sectors, including child and family services and mental health services, in order to improve the participation of vulnerable children and thereby support improved outcomes for them.

Strategies need to strengthen the universal service platform as a foundation for ensuring all children have access to quality ECEC services, and recognises that improved service coordination and linkages across a number of sectors is pivotal in best supporting the health, wellbeing, learning and development of vulnerable children and their families.

Victoria has a very high participation rate in four year old kindergarten programs, with over 97 per cent of all eligible children attending a funded program. Some vulnerable groups of children have lower levels of participation, such as Aboriginal children, however kindergarten participation by Aboriginal children rose from 59 per cent in 2007 to 70 per cent in 2011.<sup>61</sup>

Over the past decade in Victoria, numerous programs, policies and initiatives have been developed to target vulnerable and disadvantaged families to better support their participation in ECEC services. Many of these use or promote service integration as a strategy to achieve improved service coordination and seamless service delivery across a range of sectors, particularly those working with vulnerable children and families. Ongoing effort is required however, as vulnerable children and families generally remain under-represented in early childhood education and care services, and continue to have poorer outcomes across all domains.<sup>62</sup>

Strong linkages across the range of universal and specialist services are required to support and promote the wellbeing, learning, health and development of children.

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<sup>60</sup> T Moore, *Re-thinking universal and targeted services – CCCH Working Paper 2*, Centre for Community Child Health, August 2008.

<sup>61</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013.

<sup>62</sup> Victorian Auditor General's Office (VAGO), *Early Childhood Development Services: Access and Quality*, State of Victoria, May 2011.

## Integrated services

Integrated services have been demonstrated as a valuable strategy to achieve improved outcomes for children and families.<sup>63</sup> The OECD has highlighted that partnerships between different forms of early childhood provision, families and other services for young children promote coherence and improved outcomes for children and parents.<sup>64</sup>

However, currently both Australia's early childhood education and care services remain fragmented,<sup>65</sup> as do the linkages between ECEC services and other services that support the learning and development of children. These systemic inefficiencies result in Australia not enjoying the 'full benefits of significant public and private investment in the [ECEC] sector.'<sup>66</sup> As a result the 'potential of high quality ECEC services to improve outcomes for vulnerable and disadvantaged children remains unrealised.'<sup>67</sup>

Integrated service delivery is an end point of a journey from co-existence, to cooperation, then coordination, to collaboration and finally to integration.<sup>68</sup> In their evaluation of Victoria's funded Children's Centres, the Centre for Community Child Health identified a number of challenges that need to be addressed when developing integrated services:

- Achieving inclusiveness and equality of access;
- Communication;
- Staff morale; and,
- Staffing and funding issues.<sup>69</sup>

In the United Kingdom, the *Sure Start* program highlighted the importance of a systems approach to achieving effective service integration, and that key learnings from the implementation of *Sure Start* include:

- Structural change does not in itself improve outcomes
- Cultural differences take longer to change
- Any structure sets up new borders
- Integration matters most at front line of delivery.<sup>70</sup>

To best support good learning and development outcomes for all children, it is critical to move away from siloed service provision 'through shared responsibility and connected services,' and 'the coordinated efforts of many different agencies at multiple levels.'<sup>71</sup>

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<sup>63</sup> Centre for Community Child Health, *Evaluation of Victorian children's centres: Literature review*, Department of Education and Early Childhood Development, 2008.

<sup>64</sup> OECD, *Starting Strong II: Early Childhood Education and Care*, Paris, 2006, p.53.

<sup>65</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011.

<sup>66</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.8.

<sup>67</sup> PriceWaterhouseCoopers, *A practical vision for early childhood education and care*, Melbourne, March 2011, p.8.

<sup>68</sup> T Moore & A Skinner, *An integrated approach to early childhood development*, Prepared for The Benevolent Society, Murdoch Children's Institute, Centre for Community Child Health & The Benevolent Society, Sydney, 2010.

<sup>69</sup> Centre for Community Child Health, *Evaluation of Victorian children's centres: Literature review*, Department of Education and Early Childhood Development, 2008.

<sup>70</sup> N Eisenstadt, *Service Integration: learning from the UK*, Presentation to Centre for Community Child Health Early Years Integrated Services Practitioners Network, 25 July 2011.

<sup>71</sup> M Hamley, *Vulnerability and complexity: Time to act on what we know*, *In Insight – Vulnerable children: Better start, Better lives*, p.8-10, Victorian Council of Social Service, Melbourne, January 2014.

# Victorian Government targeted initiatives for vulnerable children

The Victorian Government has implemented a range of programs to improve outcomes for vulnerable children. These are now being coordinated through the Government's *Vulnerable Children's Strategy*.<sup>72</sup> Two key initiatives to improve participation by vulnerable children and their families in ECEC services are the *Early Start Kindergarten* program and the *Cradle to Kinder* program.

## Early Start Kindergarten program

The *Early Start Kindergarten* program provides 15 hours of free three-year-old kindergarten to Aboriginal children and those who are known to Child Protection (including those referred from Child Protection to ChildFIRST), and is making a real difference in the lives of vulnerable children.<sup>73</sup>

## Cradle to Kinder

The *Cradle to Kinder* program is an intensive ante and post natal support service to provide longer term, intensive family and early parenting support for vulnerable young mothers and their families, commencing in pregnancy and continuing until the child reaches four years of age. It focuses on the capacity of parents to provide for their children's health, safety and development as well as their ability to maintain self-reliance through access to education, vocational training and employment.<sup>74</sup>

# Examples of effective models to support improved outcomes for vulnerable children and their families

A range of innovative approaches have been developed across Victoria to support improved outcomes for vulnerable children and their families, including:

- Doveton College
- kidzSpace, Bendigo Community Health Service
- Linking Schools and Early Years project
- Bairnsdale Neighbourhood House Community Kindergarten – now part of Dala Yooro (Integrated Aboriginal Child and Family Service East Gippsland).

An overview of each of these initiatives is provided below.

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<sup>72</sup> Department of Human Services, *Victoria's Vulnerable Children Strategy 2013-2022: Our Shared Responsibility*, State of Victoria, Melbourne, May 2013.

<sup>73</sup> For further information see the Department of Education and Early Childhood website: <http://www.education.vic.gov.au/childhood/parents/kindergarten/pages/earlstart.aspx>

<sup>74</sup> For further information see the Department of Human Services website: <http://www.dhs.vic.gov.au/about-the-department/plans,-programs-and-projects/programs/children,-youth-andfamily-services/cradle-to-kinder-program>



## Doveton College

Doveton College<sup>75</sup> in south-east Melbourne provides an integrated learning approach from birth to Year 9 which provides holistic support to children and families in a low socioeconomic area where levels of educational achievement are low and many children are developmentally vulnerable on the Australian Early Development Index (AEDI) measures. The College has an Early Learning Centre and Prep-Year 9 school at its centre, with wrap-around health, family and children's services on site. Services are delivered by the College and community partners both on and off site. All services are expected to contribute to a shared vision to improve outcomes for vulnerable families, children and young people. Other important components of the model include:

- The Early Learning Centre incorporates both child care and kindergarten supported by other early years programs such as supported playgroups and child and family health services, including a maternal and child health service
- Adult education opportunities and study support groups for parents and families.
- Partnerships with external agencies such as Centrelink, local community health services and allied health services and mental health services
- An integrated and shared case management system, including a collaborative referral review process
- Community outreach
- School opening hours extended to include evenings and weekends.

The engagement of parents and the broader community is not seen as an 'add-on' at Doveton College, but rather is one of its pathways to major change in the children's lives for the long-term, with the goal to:

- Reach children in numbers significant enough to affect the culture of a community
- Transform the physical and social environments that impact on children's development
- Create programs at a scale large enough to meet local need.<sup>76</sup>

Doveton College highlights that the advantages of the integrated service model used include:

- Creates strong links between early years services and school
- Better collaboration and co-ordination between service agencies
- Families have quicker, more efficient access to services
- Clearer referral pathways for families and service agencies
- Enables on-going intensive support for vulnerable families
- Improves prevention and early intervention in child and family health
- Builds neighbourhood capacity through volunteerism, community hub structure and programs
- Increased adult presence at the College encourages parental involvement in school.

School and community resources are woven together at Doveton College as 'barrier busters' to address the issues that limit a child's capacity to learn, including:

- Poor health and wellbeing
- Low parenting skills
- Lack of a safe, secure home environment
- Child protection issues

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<sup>75</sup> For further information see: <http://dovetoncollege.vic.edu.au/>; M McInerney, 'Doveton College: Opening doors out of disadvantage', in *Insight – Vulnerable Children: Better start, Better lives*, p.18-23, Victorian Council of Social Service, Melbourne.

<sup>76</sup> M McInerney, 'Doveton College: Opening doors out of disadvantage', in *Insight: Vulnerable children – Better start, Better lives*, Victorian Council of Social Service, Melbourne, January 2014, p18-21.



- Drug, alcohol, family violence, mental health issues within the family
- Intergenerational poverty
- Lack of resources and role models
- Lack of stable housing
- Unemployment
- Disability or developmental delay
- Education programs that don't address need.

## **kidzSpace, Bendigo Community Health Service**

Bendigo Community Health Services (BCHS) has developed a children's integrated service delivery model - kidzSpace, that will improve the health and wellbeing status of children with specific complex health and/or developmental needs.

kidzSpace offers a unique wrap-around approach in supporting vulnerable children and families with complex and often multiple needs across Bendigo and Central Victorian communities. The wide range of health and community services and programs at BCHS is informed by contemporary, evidence based research and underpinned by the social model of health.

kidzSpace is an environment in which children with their families and a range of health practitioners and clinicians can facilitate the links between the health promotion, community education, early intervention, clinical, support and care pathways. It works across the health continuum from health promotion to recovery. kidzSpace is an exciting and innovative response that increases service integration, interdisciplinary care and coordination.

The key imperative for implementing kidzSpace is that it delivers a much needed specialised centre, conducive to integrated care and seamless service coordination for vulnerable children and their families, many of whom are also experiencing considerable disadvantage.

## **Background**

kidzSpace was developed in recognition that the effectiveness of early intervention with children is primarily dependent on the timeliness of service responses, and the BCHS service and strategic planning processes that identified the following:

- Unmet need related to children
- Growing population with notably high growth in early years
- Areas of significant vulnerability with higher need for Early Year services
- Sector wide difficulties and barriers in attracting specialists, particularly for paediatric and allied health
- Aboriginal community's identified needs
- Need for generational and system improvement to decrease crisis response to achieving more effective and sustainable change
- Increasing need and focus on building partnership and collaboration to improve whole of systems approaches.

In developing kidzSpace, BCHS conducted internal service reviews, including a literature review of integrated service delivery models for children's health and development, so that the service model provides appropriate care; is financially viable; and capable of sustaining a high quality workforce. Over the past five years a concerted effort has been made to build a multi-disciplinary

profile comprising paediatricians, general practitioners, allied health therapists, child psychologists, play therapists, mental health nurses and social workers covered by approximately 15 staff in the specialist team and a further 20 positions that provide a range of child and family support and development programs.

A broad range of BCHS services and programs are involved in kidzSpace:

- Community paediatric program including a generalist paediatric clinic, allied health programs and an Autism assessment panel
- Child Advocate Worker
- Early Intervention education & support
- Family support services
- Community medical practice
- Paediatric Podiatry
- Paediatric physiotherapy
- Paediatric speech therapy
- Paediatric occupational therapy
- Refugee support services
- Family Day Care program
- Generalist & child counselling services
- Integrated health promotion activities.

The focus on partnerships is a key strength of the kidzSpace model, and these continue to strengthen, with the current co-locations of maternal and child health and The Raphael Centre (which provides services to parents and families who are affected by anxiety, stress, or depression during pregnancy and following childbirth).

BCHS has a range of external partnerships involved with kidzSpace:

- Raphael Centre: post-natal mental health maternal & child health service
- Bendigo & District Aboriginal Cooperative: Aboriginal health workers program
- Bendigo Health: paediatric program
- Legal Aid Victoria: Advocacy Health Alliance
- Latrobe University: Allied Health Teaching & Learning Centre
- City of Greater Bendigo: Maternal and Child Health.

Future potential developments to specifically support parents include:

- Community kitchen and garden: informal and formal healthy foods information sessions and cooking classes
- Healthy lifestyle sessions ie: better sleep; hygiene; parenting skills
- Diabetes for life screening and program
- AOD & liver health sessions
- Financial counselling
- Parenting support groups
- Legal assistance for families.

## Linking Schools and Early Years project

The Linking Schools and Early Years project<sup>77</sup> was undertaken between 2006 and 2012, and was based on research conducted by the Centre for Community Child Health (CCCH) in 2006 that explored the potential to refocus community-based services for young children and their families. It found that:

- Barriers faced by vulnerable children when starting school may be overcome by stronger linkages and partnerships between schools and early years services, families and the community.
- There was potential to bridge a gap between early years services and primary schools to ensure better planning for the individual needs of children entering school.

The project recognised that school readiness does not reside solely in the child, but reflects the environments in which children find themselves - their families, early childhood settings, schools, neighbourhoods, and communities.

The aim of the Project was to ensure that 'all children enter the formal education system ready to engage with the many opportunities offered by their new learning environment. The project also aims to ensure that schools are prepared for children of all abilities and backgrounds when they first attend, and that families, services and communities are ready to support the development of children.'<sup>78</sup>

Through the Project, schools and ECEC services changed the way they conducted the transition process

The final evaluation of the Linking Schools and Early Years Project highlighted that both the participation of families in the transition increased and their experience of the transition improved, and that this had been supported by the partnerships developed between the ECEC services and the schools.<sup>79</sup>

Strategies to support a smooth transition were identified in the Project included:<sup>80</sup>

- A collaborative approach to transition between the ECEC service and the school, working with the families.
- Transition calendar
- Schools adapting transition programs, including starting programs much earlier and offering a much wider variety of transition programs
- Continuity between ECEC and school environment, for example, play-based learning has been implemented to varying degrees in prep classrooms
- Engagement with families by schools and services
- Locally relevant responses based on the needs of children and families.

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<sup>77</sup> For further information, see: <http://www.rch.org.au/lsey/>

<sup>78</sup> C Eastman, D Koop, BJ Newton and K Valentine, *Linking Schools and Early Years Project Evaluation - Data collection round 3: Final report*, Social Policy Research Centre, Sydney, December 2012, p.1.

<sup>79</sup> C Eastman, D Koop, BJ Newton and K Valentine, *Linking Schools and Early Years Project Evaluation - Data collection round 3: Final report*, Social Policy Research Centre, Sydney, December 2012.

<sup>80</sup> C Eastman, D Koop, BJ Newton and K Valentine, *Linking Schools and Early Years Project Evaluation - Data collection round 3: Final report*, Social Policy Research Centre, Sydney, December 2012.

## Bairnsdale Neighbourhood House Community Kindergarten

The Bairnsdale Neighbourhood House Community Kindergarten commenced operation in February 2008 after extensive consultation with local Aboriginal families. The Kindergarten is a partnership between UnitingCare Gippsland and Gippsland and East Gippsland Aboriginal Co-operative (GEGAC). The community and early childhood workers had identified that there was a need to increase attendance by Koorie children at kindergartens as a range of barriers were preventing local Aboriginal families accessing existing programs. These included Kindergarten fees, transport difficulties, perceived non-acceptance of Koorie culture by existing kindergartens and complex family issues impinging on the ability to support the attendance of children into kindergarten.

In the first year of operation the kindergarten enrolled 24 children – this was a 71 per cent increase in the number of Aboriginal children attending kindergarten within the local area.

The kindergarten has established a culturally safe environment by:

- Building relationships with parents and other community members
- Employing Aboriginal staff through a trainee program and working with other Aboriginal workers
- Developing strategies to respond to the needs of the local Aboriginal families
- Providing transport to pick up the children in the morning to attend kindergarten
- Acknowledging Aboriginal culture by providing a cultural program that includes stories, art, music and other activities
- Developing a holistic approach to the early years by building up relationships with other service providers
- Training staff in cultural awareness
- Responding to the needs and wishes of the community.

For many of the children, attending the kindergarten has enabled workers to detect health issues. For example, in 2009, 70 per cent of the children had some speech issues. Many of the children also present with possible hearing difficulties, emotional difficulties and learning disabilities.

As well as establishing a culturally safe environment, other critical factors that have contributed to the success of the kindergarten include:

- A holistic system of support that commences pre-birth and is largely based on relationships between families and key worker;
- Qualified and experienced staff
- Understanding and respect for Koorie culture amongst non-Aboriginal staff
- A strong development phase that involved true consultation with the community and parents
- Aboriginal trainees that provide links to the community and are generally known to both parents and children
- Sufficient staff to enable children's needs to be met
- Sufficient staff to prepare the four year olds for transition to school
- Sufficient staff to prepare new children to adapt and successfully transition to a kindergarten program and environment
- The development of a strong management structure
- Developing 'champions' from within the community who promote the benefits of early childhood education
- Demonstrating good results with the children's development
- Providing supported transition into kindergarten and then primary school.

When the first group of four year old children transitioned to primary school, reports from teachers

and principals at the schools indicated a high level of school readiness amongst these children.

This kindergarten is providing a model of successful delivery of early childhood services to local Aboriginal families. However, key challenges are that workers have found it difficult to access timely and affordable health and therapy supports for children with health issues and the inadequacy of base funding levels. Funding does not cover the operational costs of the kindergarten which includes significant additional costs such as the transport provided for children.

The pilot ended in 2010 and this service now forms a part of Dala Yooro (Integrated Aboriginal Child and Family Service East Gippsland).

## Recommendations

- Strengthen universal early childhood education and care services to be more adaptable and responsive to vulnerable children's needs through addressing the two key types of barriers: service level (structural) barriers and barriers specific to the child, their family and their situation.
- Focus on key aspects to improve outcomes for vulnerable children and families:
  - Skilling ECEC staff in working sensitively and proactively with vulnerable children and families
  - Develop effective partnerships across ECEC services, other key support services, such as family support services and mental health services, and schools.
  - Expand or adapt current models of ECEC that are successfully engaging vulnerable children and families.
- Improve the integration across ECEC services and linkages between ECEC services and other services that support the learning and development of children by adopting a systems approach.
- Promote best practice examples to support the improved delivery of quality, accessible ECEC services across Australia.

## 5. Benefits and other impacts of regulatory changes, including the NQF

The *National Quality Framework for Early Childhood Education and Care* (NQF) commenced operation in January of 2012. It aims to ensure that children in early childhood education and care services, incorporating long day care, family day care, preschool and kindergarten, and outside schools hours care services, receive a high quality of care and education. The new standard requires improved educator-to-child ratios and more educators with increased skills and qualifications. These new standards will help to ensure all early childhood services meet the individual educational, health and wellbeing needs of children.

The seven quality areas covered by the NQF are:

1. Educational program and practice
2. Children's health and safety
3. Physical environment
4. Staffing arrangements
5. Relationships with children
6. Collaborative partnerships with families and communities
7. Leadership and service management

The NQF replaces previous state based regulatory regimes in order to improve standards, improve consistency and, ultimately, reduce the burden of regulatory compliance. It is the result of an agreement between the Commonwealth and State and Territory Governments.

Victoria has a higher number of services rated as meeting or exceeding the NQS than for Australia, with 77 per cent of services compared to 58 per cent for Australia.<sup>81</sup> The Victorian Government has invested \$22.6 million between 2010 and 2013 to support the provision of high quality early childhood learning services so that educational and developmental outcomes for all Victorian children are maximised.<sup>82</sup>

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<sup>81</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013, p.44.

<sup>82</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013, p.46.

**Figure 4: National Quality Standard ratings for Early Childhood Education and Care services – Victoria and Australia, Quarter 3, 2013<sup>83</sup>**



VCOSS is a strong supporter of the NQF. This submission has highlighted the crucial role of quality ECEC services in delivering long term individual and economic and productivity benefits for the nation. To ensure that these benefits are maximised, it is necessary to have a mechanism to monitor and evaluate the quality and effectiveness of the institutions providing ECEC services.

The support of VCOSS for the NQF is also underpinned by the strong support for the NQF among ECEC service providers. A recent report from the Australian Children's Education and Care Quality Authority (ACECQA), the *Report on the National Quality Framework & Regulatory Burden*, found that the NQF was supported by 78 per cent of ECEC service providers. This is despite the fact that the NQF was perceived as being burdensome by many providers when rating its impacts and not necessarily a reduction in regulatory burden compared to previous arrangements. However, given that this burden was often attributed to the transition to the NQF, the report also suggests a reduction in the perceived burden of the NQF could be expected in subsequent studies. The ELAA submission also highlights how many providers see significant value in the NQF in improving children's developmental outcomes, noting that:

*Many services have also reported that, in spite of initial anxieties, the assessment and rating process [of the NQF] turned out to be a valuable experience in which they received helpful feedback, advice and suggestions for service improvement.*

In relation to the Australian Government's planned work with the states and territories to streamline the current quality framework arrangements, VCOSS strongly supports the comments of the ELAA, particularly that activities that contribute to children's learning and development, including the Quality Improvement Plan, curriculum development and staff development and training, need to be quarantined from any change.

Ultimately, the costs of regulation are justified if the benefits exceed the costs. There is a clear economic value of quality early childhood education and care services: the OECD has identified that investment in early learning can return up to \$16 for every dollar invested.<sup>84</sup> Given the benefits noted earlier of providing high quality early childhood education for both individuals and society, VCOSS believes that the benefits of the NQF will be demonstrated to outweigh any regulatory costs.

<sup>83</sup> DEECD, *State of Victoria's Children 2012: Early childhood - A report on how Victoria's young children are faring*, State of Victoria, Melbourne 2013.

<sup>84</sup> Committee for Economic Development, *The economic promise of investing in high-quality preschool: Using early education to improve economic growth and the fiscal sustainability of states and the nation*, 2006, Washington, US.

## Recommendations

- Recognise the economic return from investment in ECEC services in any analysis of the regulatory impact of the *National Quality Framework for Early Childhood Education and Care* (NQF).
- Continue to implement the NQF within the timeframes agreed by all Australian governments.
- Maintain all requirements of the NQF, particularly those for increased qualifications for educators and improved ratios of educators-to-children.