August 26, 2014

Gowrie Australia comprises representatives from each of the Gowrie Centres in each state in Australia. These Centres were established in 1939-1940 as a best practice demonstration model by the Federal Government.

Since establishment, the Gowrie Centres have adapted to meet changes in government policy and practice, and be responsive to changing community needs. Our focus remains to support young children, their families and early and middle childhood professionals as indicated in our purpose and mission.

Our Purpose: *Promote and support quality services for all children*

Our Mission: *A national collaborative approach to better practices which benefit children, families and the children’s services sector.*

After considering the Productivity Commission Inquiry Draft report, Gowrie Australia has serious concerns about the following recommendations.

* Draft Recommendation 12.4 (and Information Request 12.3)

**Our Concern:**

The rights of the child are paramount and the child must not be discriminated against in respect of access to education and care services because their family is not currently in the workforce.

The **activity test** may create unintended consequences and potentially serious social justice issues which need careful consideration. The exemption criteria seem to be too narrow. There are many reasons families would not be able to meet the activity test, including, lack of employment opportunities, mental health issues, domestic violence issues, homelessness, and issues of disadvantage including lack of schooling/training and trauma. The requirement that in these cases children may access services only if they are determined as ‘at risk’, will provide a significant barrier to access for many families. Such a label effectively stigmatises families and could lead to longer term detrimental consequences that families would be unwilling to accept. This is an unreasonable requirement to access services. Children and families that could potentially benefit from access to services will be effectively denied participation.

If families choose to remain at home while their children are young, they have a right to access early childhood education and care services not only for respite but also to enable them to contribute to the community through a range of activities, including volunteer work.

It is also relevant to note that people experiencing disadvantage or vulnerability exist in all communities, as evidenced by the AEDC.

**What the Research Demonstrates:**

Research demonstrates that early intervention is crucial for families and community capacity building (Farrant 2014; OECD 2012; Pascal 2014; Stern 2004; Zero to Three 2013). Early intervention is most effective when families are able to access high quality early childhood education and care services prior to children becoming ‘at risk’. In many cases these families would not meet an activity test yet the benefits of attendance for two to three days minimum at a high quality early childhood education and care setting to the child, family and community is significant.

**An Example:**

A single mother displays symptoms of post natal depression but is reluctant to engage with the medical profession due to previous trauma. She knows she needs support and enrols her child in an education and care setting for respite reasons and to ensure her child can mix socially with other children. She is unable to maintain work due to her condition. Within the education and care setting, qualified staff would likely assist this mother to access support from services within the community, including medical and counselling services, connecting with community to reduce social isolation, accessing services which will assist her to parent her child while she recovers her health.

Under this draft recommendation, she would be unable to obtain financial support as she does not meet the activity test, yet she has recognised her need for help and has accessed a supportive environment where she feels safe. For this non-working mother the fees would be unaffordable and without support she eventually may enter the child protection system.

**Our Recommendations:**

* + That all families are able to access early childhood education and care services.
  + That the current system of Priority of Access be maintained as this supports working and non-working families to access early childhood education and care services according to greatest need.
  + That all families are able to access the means tested subsidy rate.
* Draft Recommendation 7.2, Draft Recommendation 7.5, Draft Recommendation 8.5 (Information Request 7.1)

**Our Concern:**

If these recommendations are implemented, it is likely that many services would have difficulties in achieving a ‘Meeting’ rating in the National Quality Standard and overall quality in education and care services may decline. A Certificate III in education and care is not an adequate requirement when considering aspects of curriculum, pedagogy, planning, health, education, relationships and development for young children. Where a Certificate III qualified educator is working in an education and care setting within a team of other educators who hold higher qualifications, risks are minimised and outcomes for children are maximised. These recommendations undermine the years of work around the world which advocate for increasing the qualifications of educators working with this most vulnerable and important age group (OECD 2012). The 0-3 age group needs our best/most qualified educators due to the complexity of working with children where verbal communication cannot be relied on to the same extent as in older age groups.

**What the Research Demonstrates:**

The period from birth to three years of age has been found to be the most significant in a child’s development (OECD 2012; Perry & Szalavitz 2010; Shore 2001; Winter 2003). There is a strong correlation between the quality of educators’ pedagogical interventions and child wellbeing as well as the overall quality of the program (OECD 2012; Pascal 2014; Winter 2003). Integrated programs which combine care and education show benefits in higher quality (ECA 2011; OECD as cited in Bretherton 2010, p.14; Rinaldi 2013). Research demonstrates that educator qualifications are vital for the provision of high quality integrated education and care which has ongoing societal benefits (ACECQA 2014; Bretherton 2010; Economist Intelligence Unit 2012; OECD 2012).

**An Example:**

An education and care setting employing mainly Diploma and Degree qualified educators are able to offer a wide variety of experiences for young children based on their tertiary training, knowledge of child development and early learning, planning, high level communications skills and their capacity to work in partnership with multiple, diverse families.

Under this draft recommendation, services could choose to employ Certificate III educators who do not have the required training to perform such complex tasks.

**Our Recommendations:**

* That current minimum Standards regarding educator qualification remain in place as per the National Quality Framework.
* That over time the minimum requirement for educators working in education and care services (including Family Day Care) be increased to a minimum Diploma in Children’s Services.
* That the deemed cost include be inclusive of services employing higher qualified educators while maintaining affordable fees for all families.
* That there is no separation of education and care.
* Draft Recommendation 10.1

**Our Concern:**

The loss of payroll tax exemption and charitable status will increase the cost of education and care services for families and reduce the quality of service being provided. We believe that an ‘equal playing field’ cannot be a goal because of the very different business circumstances of for-profit and not-for-profit organisations.

Unlike for-profit operators which distribute surplus funds to shareholders, not-for-profit organisations reinvest surplus funds into their organisational development to improve property, infrastructure and staffing levels directly responsible for high quality practice. It is vitally important that there is recognition of a correlation between ongoing investment in community organisations and the factors that improve quality such as qualifications of educators and ratios in excess of legislative minimums. Research overwhelmingly supports that this type of community investment targets the delivery of a social goal that flows directly to families and children and not shareholders – resulting in improved early childhood education and care outcomes for children and families. Therefore the Commission has erred by limiting its definition of ‘delivery of social goals’.

**Our Recommendation:**

* That the current exemptions for not- for- profit education and care services regarding payroll tax and charitable status remain.

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