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Speech Pathology Australia

Speech Pathology Australia's Submission to

Productivity Commission

Child Care and Early Childhood Learning

Draft Report

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The Speech Pathology Association of Australia Limited
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Introduction

Speech Pathology Australia (SPA) is the national professional organisation representing over 6000 speech pathologists in Australia. Speech pathologists are university educated allied health professionals with specific knowledge and expertise in all areas of speech, language, communication and swallowing. Speech pathologists work with infants, children, adolescents, adults and the elderly with communication and swallowing problems in the public and private sectors, health, disability, education, community, aged care, mental health and the juvenile and criminal justice systems.

Speech Pathology Australia welcomes the opportunity to provide feedback on the Productivity Commission's draft report *"Child Care and Early Childhood Learning'.* The early years of a child's life provide a critical window of opportunity whereby early intervention for disorders of communication can be most effective and have the most sustained long term benefits. Speech Pathology Australia is keen to work with governments, service providers and coordinating services in the early childhood education and care (ECEC) sector to build capacity to enhance communication development in young children, identify communication problems as they emerge and make appropriate referrals for children.

As the Commission is aware, the rate of workforce participation for mothers who are the primary carers of children with a disability is significantly lower (38 per cent) than the participation rate of other mothers (64 per cent)[1]. It is the view of Speech Pathology Australia that for families with a child with additional needs, incentives to (re)enter the workforce need more than financial incentives for child care – families need to be confident that services will provide inclusive, high quality care for their children.

Given our expertise in working with children with additional communication needs, much of our comment on the Commission's discussion paper relates directly to selected recommendations and requests for information about ECEC reforms for children with additional needs.

Speech Pathology Australia would like to draw the Commission's attention to submissions made by Early Childhood Australia and the Early Learning Association of Australia – which we believe also provide authoritative advice on the unique needs of children with disabilities and additional needs.

About communication and language impairment in young children

Typically developing children follow a profile of development of their speech and language, conceptual and cognitive skills that takes them from babbling to first words through to combinations of words, simple and complex sentences, culminating in being confident communicators who can use both verbal and nonverbal means to express and understand abstract information. Language and speech is both a developmental destination towards the adult language system and a developmental means for children to achieve other health, development and wellbeing outcomes.

For some children, communication fails to develop along typical lines. Broadly, the problems children experience can be considered as issues affecting their speech (pronouncing sounds and saying words), understanding and using language, social communication, fluency (stuttering), voice (pitch, loudness and quality of speech), or a combination of these problems.

[1] AIHW (Australian Institute of Health and Welfare) 2009, *A Picture of Australia's Children 2009*, Canberra.

The cause of these communication problems may be an underlying disorder or impairment such as Autism, cleft palate, intellectual impairment, developmental delay or sensory impairment. For these children, their underlying disorder/disability is likely to make them eligible for early intervention funding (such as Better Start for Children with Disability or the Helping Children with Autism Package) and assistance under the National Disability Insurance Scheme (NDIS) (as it rolls out). Some of these children may already be accessing disability or additional needs funding assistance for child care or preschool participation.

For some children however, their disordered communication development occurs in the absence of a known underlying issue or diagnosis. These may be children who for all purposes 'look' like they do not have additional needs but suffer significantly developmentally impaired communication skills which over time impact on their lives including their ability to access and participate in early child care and learning environments. In time some of these children may be diagnosed with specific conditions or language disorders such as childhood apraxia of speech, primary language disorder, foetal alcohol syndrome or social (pragmatic) communication disorder. Some of these conditions are not able to be diagnosed in preschool ages or require complex multi-disciplinary diagnosis processes that are unlike to have been completed prior to school entry. These children are unlikely to have been given a 'diagnosed' disability during their early years but show developmental delay at an early age in at least the developmental domain of language and communication. Depending on functional impairment and severity of developmental delay, many of these children would meet the (current) eligibility criteria for early intervention (prior to age seven) for the NDIS that requires a demonstrated delay in one or more developmental areas. These children are unlikely to be currently supported by the restrictive additional needs provisions in the current ECEC system.

Currently there is limited available data about the prevalence of communication impairment within the Australian population. However, we have some data regarding language development in children from a number of sources. The Australian Bureau of Statistics (ABS) data suggest that 36,400 Australian children aged four years or younger have a severe or profound core activity limitation, with 24,800 (68.1 per cent) of these having a need for assistance with communication[2]. This alone represents around two per cent of all children aged four years or younger in Australia[3] who have additional needs in communication that are not age-related problems – as reported by their parents in this survey. This estimate is likely to be a significant under-reporting of the prevalence of additional communication needs in young children in Australia.

There is evidence of a social gradient in the prevalence of language and communication impairment in children. Prevalence rates of language and communication impairment in young children are known to be much higher in socially disadvantaged populations, for example, language delay affects up to 50 per cent of preschool children reared in poverty[4].

Information regarding the prevalence of communication disorders in Aboriginal and Torres Strait Islander children in Australia is scant. Identification of communication disorders in these children is made difficult by the use of traditional languages and Aboriginal English in homes. However, there is a clear risk during the infant and preschool years to communication development due to the higher rates of otitis media (OM) and concomitant fluctuating hearing loss that are well reported in this population[5]. Otitis media is a medical issue, however, for some children, it impacts negatively on speech, language and cognitive development. This is more likely for Indigenous children given the early onset, frequent episodes of the condition and continued incidence through the primary school years. Addressing the issue of OM and consequent language delay in indigenous children requires systematic interventions that cross health and education and need to begin in the early years.

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[2] Survey of Disability, Ageing and Carers, 2012

[3] This figure may capture the majority of children diagnosed with congenital and developmental disabilities or impairments which may impact on communication, including Down Syndrome, Autism and Cerebral Palsy, sensory impairment (including hearing loss) and developmental delay. It may also capture children with acquired disability - for example as a result of a traumatic brain injury.

[4] Locke A., Ginsborg J., Peers I. (2002). Development and disadvantage: implications for the early years and beyond. *Int J Lang Comm Dis 37*, 3-15.

[5] see for example, Couzos, S., Metcalf, S., & Murray, R. (2001). Systematic review of existing evidence and primary care guidelines on the management of Otitis Media in Aboriginal and Torres Strait Islander Populations. Canberra, ACT: Commonwealth of Australia; or Morris, P.S., Leach. A.J., Silberg, P., et al. (2005). Otitis media in young Aboriginal children from remote communities in Northern and Central Australia: a cross-sectional survey. *BMC Pediatr*, 5, 27.

Prevalence estimates for speech and language disorders in young children do vary and there is growing evidence of variability or fluctuations in children's language development, with some children moving in and out of 'disordered' categories as they grow. For example, a child measured as 'typical' at age two may fall into a 'disordered' level at age four[6]. One of the implications of this is that monitoring of young children's language development needs to be an ongoing process during the early years of life, with single 'screening' approaches at one age unlikely to identify all children who may need support at different ages prior to school entry. The ECEC sector provides a universal setting where such monitoring can occur as part of the natural program of early education and care.

The importance of the early years in language and communication development

Like other areas of development, the early childhood years are crucial in laying the foundation for later communication and language outcomes. Communication skills are cumulative and therefore the efficient acquisition of skills in later childhood is affected by the preceding skill set. Research has shown that the toddler and preschool years are a critical period for mastery of the words, grammatical structure, accent and rhythm of a language, and this period begins to wane as early as four to six years of age even though the acquisition of some aspects of language (for example, understanding of word meanings) continues beyond this point. It is only if children have 'learnt to talk' in these early years that they can progress to being able to 'talk to learn'.

There are strong links between communication and socialisation. Preschool children who have communication disorders are more likely to be excluded and engage less with peers, and have psychological profiles that are different to typically developing children of the same age.

Communication skills including comprehension and use of language underpin preschool and classroom learning. Children with communication disorders often have poorer skills in areas that are crucial for reading development, including phonological short-term memory, phonological discrimination, and phonological awareness[7]. There are also demonstrated difficulties on tasks measuring rhyme, letter naming, and concepts related to print, as well as on narrative structure and recall tasks[8]. Without these foundations, children are at a severe disadvantage when it comes to formal literacy instruction when they reach primary school.

Communication skills are a cornerstone for the attainment of school readiness in the preschool years. Recent Australian research identified developmental language delay as a significant predictor of a lack of school readiness. The authors note "preparation for school involving systematic emphasis on language and pre-literacy enrichment is recommended for all children before school entry and particularly for children at risk, including those coming from socio-economic disadvantage and those with delayed and impaired early language development"[9].

The early years of a child's life provide a critical window of opportunity whereby early intervention for developmental delays in communication can be most effective and offer the most sustained long term benefits. Speech Pathologists are the allied health professionals who specialise in providing evidence based interventions for children who have communication impairments. For very young children who are developmentally delayed in their communication abilities, speech pathology services can provide evidence based support to:

- support development of children's communication and/or support oral eating and drinking, including identifying and ameliorating problems related to environmental, behavioural, sensory and/or oral-motor problems, thus reducing future need for supports

[6] Ukoumunne, O. C., Wake, M., Carlin, J., Bavin, E. L., Lum, J., Skeat, J., Williams, J., Conway, L., Cini, E., & Reilly, S. (2012). Profiles of language development in pre-school children: a longitudinal latent class analysis of data from the Early Language in Victoria Study. *Child: care, health and development 38*(3), 341-349.

[7] Briscoe J, Bishop DVM, Norbury CF (2001). Phonological processing, language and literacy: A comparison of children with mild to moderate sensori-neural hearing loss and those with specific language impairment. *Journal of Child Psychology and Psychiatry, 42*, 329-340.

[8] Boudreau, D. M., & Hedberg, N. L. (1999) A Comparison of Early Literacy Skills in Children With Specific Language Impairment and Their Typically Developing Peers*. American Journal of Speech-Language Pathology, 8*, 249-260

[9] Prior, M., Bavin, E., & Ong, B. (2011). Predictors of school readiness in five-to six-year-old children from an Australian longitudinal community sample. *Educational psychology*, *31*(1), 3-16.

- mitigate or alleviate the impact of communication and oral eating and drinking problems, and/or prevent deterioration of these skills
- build capacity in families, carers and care providers (e.g., child care educators) in relation to their role in facilitating communication development and supporting oral eating/drinking.

The importance of early childhood education and care for children with language impairment

Children with additional needs, and in particular children with communication impairments may benefit significantly from inclusion in structured care and early learning environment with typically developing peers. It provides both an opportunity for these children to learn social norms, social communication and typical communication environments for their age but it also provides an opportunity to be in a language-rich environment where their communication skills can be practised under the guidance of qualified early childhood educators.

Currently, identification of communication developmental problems in Australia is parent-led[10] unless the child has entered the health system through a diagnosis of a medical or additional disability condition (Down Syndrome for example). This presents both opportunities and risks, as parents are the best source of knowledge about their children's communication development, yet there is significant evidence that parents may put off seeking help for these problems, even when concerned. Specific opportunities may be presented to parents to support them to reflect on their child's development - for example, at Maternal and Child Health well-child visits (in all states and territories except Queensland) or through engagement with local primary health care practitioners (such as through a general practice Healthy Kids Check).

There are significant barriers to accessing government funded speech pathology services in Australia. Communication impairment is largely a 'silent disability' in Australia with an associated underwhelming policy and funding response at both state and federal levels. The prevalence of speech, language and communication disorders and access to speech pathology services is currently the focus of a federal inquiry by the Senate Community Affairs Reference Committee[11].

In the absence of reliable access to speech pathology intervention through the health system for pre-school children, a greater emphasis is needed to build the capacity of universal services to support very young children with communication impairments, ensure that they are able to access the learning opportunities provided in these settings and importantly maximise their readiness for school entry.

There is an opportunity to support identification and intervention for children with communication disorders at preschool/kindergarten, however, it is not common for speech pathology services to be available or provided through preschools. The exception is in South Australia, where the Department of Education speech pathologists support children across both preschools and schools. In other states, this represents a missed opportunity to support the development of critical skills necessary for school readiness.

The importance of ECEC services in influencing communication outcomes for children is recognised formally in the National Quality Framework and Early Years Learning Framework– where one of the outcomes is 'children are effective communicators'. Whilst these services work towards these outcomes for all children, it is even more critical that this outcome is vigorously pursued for children with emerging communication impairments. This can only be achieved for these children if additional resources, funding and focus is made on the important role ECEC play in the lives of these children. Speech Pathology Australia supports the joint- position of Early Childhood Australia and Early Childhood Intervention Australia that there is a need to build the capacity of the ECEC and assist professionals to support high quality inclusion for children with additional needs[12].

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[10] Skeat, J., Eadie, P., Ukoumunne, O., & Reilly, S. (2010). Predictors of parents seeking help or advice about children's communication development in the early years. *Child: care, health and development*, *36*(6), 878-887. And Skeat, J., Wake, M., Ukoumunne, O. C., Eadie, P., Bretherton, L., & Reilly, S. (2013). Who gets help for pre-school communication problems? Data from a prospective community study. *Child: care, health and development, 40*(2), 215-222.

[11] See http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Speech_Pathology

[12] ECA and ECIA Position Statement on the Inclusion of Children with a Disability in Early Childhood Education and Care.

Speech Pathology Australia advocates for a tiered approach to speech pathology services in the ECEC sector to support all children with their emerging language skills and to provide focused support for children who are demonstrating language delay or communication problems. This is a similar tiered model that occurs in some primary school systems in some states and territories of Australia. It is a Response to Intervention Model with a significant evidence base to support effectiveness. It is also akin in principals to the Teaching Pyramid model supported by ECIA and the Centre for Community Child Health (CCCH) that reflects a tiered approach that directs educators through successive levels of strategies for all children and then those with impairments and disabilities. The Response to Intervention Model involves three tiers of speech pathology services:

Tier 1. Speech Pathologists work with early childhood carers and educators to build their capacity, develop resources and design programs and create early learning environments that improve and strengthen communication skills of all children in the child care or pre-school setting. Through professional development and training, ECEC staff are supported to identify children who are struggling or who require additional support in developing their language competency.

Tier 2. Speech pathologists provide focussed support for groups of children who have been identified by their carer/educators as requiring assistance in their language development. This involves collaboration with educators to tailor the learning environment/activities to better meet the communication needs of these children. In an ECEC setting, the supports provided at this tier would be tailored to different age ranges of children in consideration of the expected language skill range for that age and stage of development.

Tier 3. Speech pathologists provide individualised intervention and support to individual children to support their access to the early learning environment. For very young children, this may involve assessment and diagnosis, applications for funding, working with parents and educators to develop plans to tailor the learning environment for these children and to assist educators to support these children according to the individual needs of the child. Speech pathologists would play a critical role in planning and supporting the transition to school for these children.

Capacity building of educators in the ECEC sector to facilitate language and emergent literacy development in preschool aged children occurs in other countries. In Canada in particular, the Hanen Program[13] is a commonly implemented evidence based program whereby speech pathologists work with early childhood educators to provide professional development and training to assist them to effectively foster children's language development. Speech Pathology Australia strongly recommends that speech pathologists be widely employed as consultants (Tier 1 and 2) to support early childhood workers in the development of whole group programs and to support the development of individual children in day care and early learning environments.

Building the capacity of the ECEC sector to provide inclusive access for children with additional needs (including those with communication needs) is essential for parents of these children to have confidence in the care their children are provided with whilst they participate in the workforce. Increasing workforce participation by parents (particularly mothers as the usual primary caregivers) of children with additional needs requires more than just financial subsidies – it requires systems that generate 'trust' and confidence that their children will be well cared for, included and encouraged to participate in an early learning care and education environment.

[13] See www.hanen.org

Families using mainstream services - improving accessibility, flexibility and affordability

Speech Pathology Australia asks that the Commission consider our feedback on the following issues identified in the Draft Report.

Information request 12.1
The Commission seeks views on the effect on families of having a per child subsidy rate that is not adjusted for the number of children in a family accessing ECEC services.

Families with a child with additional needs (particularly needs that are not well supported through publicly funded health care or early intervention services) often face additional financial pressures associated with purchasing services for that child in the private (non-Medicare rebated) health care system. Unfortunately this is often the case for families with a child with moderate communication impairment who are not eligible for disability related funding, or when their child is eligible for publicly funded early intervention services – children with more severe impairments are prioritised leaving the child with moderate impairment in effect permanently on 'the waiting list'. Families have no choice but to pay for speech pathology services through the private system or go without accessing care for their child.

The additional financial pressures faced by families needing to purchase health care or early intervention services can be considerable and impacts on the financial health of the whole family. In these circumstances, it is anticipated that for a family with one primary earner, two or more children in child care and additional health care costs – the cost benefit of having a parent in the workforce as a secondary earner could easily become untenable. For families with children with additional needs, adjusting the Early Care and Learning Subsidy (ECLS) rate for additional children provides benefits not just for the child with additional needs, but for all children in the family able to access child care – and acts as an incentive (or at least not a disincentive) for workforce participation by a secondary earner.

Speech Pathology Australia advises that for families with a child with additional needs, the maximum ECLS rate should be applied for that child (irrespective of family income) and then the per child subsidy rate should be adjusted for the number of other children in a family accessing ECEC services.

Information Request 12.4.
The Commission seeks information on the best approach to setting and updating the deemed cost of ECEC services. In addition, information on the cost premiums of providing services in different locations, to different ages, and in meeting different types of additional needs is sought.

It is anticipated that service providers will provide detail to the Commission regarding the approach and model of setting a deemed cost for ECEC services. Speech Pathology Australia, whilst not opposed to the development of a 'deemed cost' cautions the setting of a cost without an associated mechanism to review this cost on an ongoing basis. This is akin to the scheduled fees used for Medicare rebates which have not kept up with the actual cost of providing medical or speech pathology services – leaving the health system with the increasing problems of out of pocket costs or 'gap' costs for patients. It is conceivable that the same issues will arise if the deemed cost of ECEC services does not increase in line with real costs of service delivery and fees charged to families – with growing 'gaps' each year for families to absorb. This is particularly problematic for families with a child with additional needs who would face significant out of pocket costs to access health and medical care for their child and *also* significant out of pocket costs for that child (and other children in the family) to access ECEC environments.

Speech Pathology Australia recommends the 'deemed cost' of child care be adjusted annually to reflect changes in the actual costs of service provision. Critically, the 'deemed cost' of providing services for additional needs children would need to be adjusted annually to reflect real changes in cost of service provision. Whilst the intent may be to ensure that there is no financial disincentive for providers to provide care to a child with additional needs, this will only occur on a medium to long term basis if the deemed cost of service for children with additional needs keeps pace with the reality of costs of service provision. This would prevent the situation from arising where there is a growing gap in deemed cost and actual cost which acts as a disincentive to provide care to these children.

Information Request 8.3.
The Commission seeks feedback on making the places of children who are on an extended absence available to other children on a short-term basis. In particular, the Commission is interested in disincentives or regulatory barriers that discourage or prevent services from implementing these arrangements.

Speech Pathology Australia supports reforms that would allow increased flexibility for families with children with additional needs to access and retain a place in their preferred early childhood care facility. Children with additional needs due to disability, medical conditions or developmental delay may be faced with unavoidable absences (extended or otherwise) in order to receive medical or health treatment. These absences may occur on multiple occasions throughout the early years and under the current arrangements, families are (usually) required to pay for their scheduled care regardless of if the child is in attendance. This acts as a disincentive for the family to place their child with additional needs into a permanent ECEC environment. A family should be able to retain their allocated place even when on absences (associated with the additional needs) without financial penalty AND allow the service to maximise their income for that place on any given day.

Additional needs children and services – improving the accessibility, flexibility and affordability

Speech Pathology Australia asks that the Commission consider our feedback on the following issues identified in the Draft Report.

Draft Finding 5.1
Generally, Australian children are doing well developmentally and most are well prepared to begin formal schooling. Those who are less well prepared tend to be Indigenous children, children living in socio-economically disadvantaged communities, children living in very remote areas and children from non-English speaking backgrounds. There is likely to be overlap across these groups.

Whilst it is implicit in the report, it needs to be recognised that in addition to the groups of children identified in the draft finding that are not doing well are children with a disability or developmental delay. This is particularly important for children with communication impairment who will be significantly disadvantaged once they enter primary school. Recent information about the incidence of developmental vulnerability at school entry of children in domains related to language and communication is presented in Table 1.

Table 1: Australian Early Development Index (AEDI) performance 2012 in domains relevant to communication disorders

Domain	Score	Aust	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Language and cognitive	Developmentally vulnerable <10th centile (per cent of children)	**6.8**	4.8	6.1	9.1	8.6	6.8	7.1	3.9	20.8
Communication skills and general knowledge	Developmentally vulnerable <10th centile (per cent of children)	**9**	8.5	8.0	10.7	9.1	8.9	6.6	8.1	14.4

Data summarised from: Australian Government 2013. A Snapshot of Early Childhood Development in Australia 2012 — AEDI National Report, Australian Government, Canberra

On average 6.8 per cent of Australian children start school with developmentally vulnerable scores in the language and cognitive domain (which includes pre-literacy skills), and over nine per cent are at developmentally vulnerable in relation to their communication skills and general knowledge. In some states and territories, the proportion of children outstrips the national average, highlighting areas of extreme need. The prevalence of communication impairment is likely to be compounded by indigenous status, socioeconomic disadvantage and rurality.

Draft Recommendation 12.6

The Australian Government should establish three capped programs to support access of children with additional needs to ECEC services.

• The Special Early Care and Learning Subsidy would fund the deemed cost of meeting additional needs for those children who are assessed as eligible for the subsidy. This includes funding a means tested proportion of the deemed cost of mainstream services and the 'top-up' deemed cost of delivering services to specific groups of children based on their needs, notably children assessed as at risk, and children with a diagnosed disability.

• The Disadvantaged Communities Program would block fund providers, in full or in part, to deliver services to specific highly disadvantaged community groups, most notably Indigenous children. This program is to be designed to transition recipients to child-based funding arrangements wherever possible. This program would also fund coordination activities in integrated services where ECEC is the major element.

• The Inclusion Support Program would provide once-off grants to ECEC providers to build the capacity to provide services to additional needs children. This can include modifications to facilities and equipment and training for staff to meet the needs of children with a disability, Indigenous children, and other children from culturally and linguistically diverse backgrounds.

Speech Pathology Australia welcomes the Commission's focus on improving access to early childhood education and care for children with additional needs. We make a number of specific comments and recommendations related to Draft Recommendation 12.6 below.

Focusing on Inclusion as well as Access

It is disappointing that the Commission appears to equate 'access' to services with 'inclusion' in services for children with additional needs. For families with a child with a disability or developmental delay access goes beyond securing a place in a centre and having their child able to physically access the premises. For children with a communication impairment, access relates to 'participation access – a form of inclusion that means the child will be supported to communicate within that environment in order to access the learning opportunities. Reforms to the sector need to ensure that there is a balance between funding supports to families and services to facilitate access (financial access and physical access) for these children and funding supports to build the capacity within the sector to ensure participatory access for children with additional needs. This is fundamental to ensure that parents have the confidence in the ability of the service to provide quality care and education to their child so that they can participate in the workforce. The current draft recommendation does not provide sufficient emphasis on funding activities that would promote inclusion for children with additional needs.

Additional Funding for Inclusion Support Program

Speech Pathology Australia agrees with the Commission's draft finding 8.1 that the current Inclusion Support Program requires additional resourcing in order to better meet its policy objectives. The current eligibility requirements and cap on funding for the Inclusion Support Subsidy (ISS) mean that only children with the highest of additional needs are prioritised to be supported. This is particularly problematic for children with moderate severity communication problems (without an underlying additional disability condition) but who could benefit significantly from the additional support provided through the ISS. The current Inclusions Support Program funding allotment is fundamentally inadequate to meet the needs of children with additional needs and as such does not facilitate parental involvement in the workforce for families with children with additional needs.

Proposed Program: Special Early Care and Learning Subsidy

Speech Pathology Australia is seriously concerned that a capped SECLS program will replicate the existing problems currently associated with the current Inclusion Support Program – whereby eligibility is so restrictive that only the most severe cases of high additional needs are eligible. If providing ECEC to children with additional needs attracts real increased costs for providers, then the SECLS needs to be extended to all children with additional needs (not just those in the highest of needs categories). An arbitrary eligibility threshold to access a (capped) SECLS does not negate the real expenses associated

with providing care and education to children who have additional needs who do not meet this eligibility criteria.

It important that young children with additional needs are not precluded from supports to access the SECLS based on a restricted eligibility of 'diagnosed disability'. The (current) eligibility criteria for early intervention (prior to age seven) for the NDIS requires a demonstrated delay in one or more developmental areas and is not restricted to young children who have a 'diagnosed' condition or known cause of their developmental delay. It is strongly recommended that eligibility for SECLS for children with additional needs mirror the current eligibility criteria for the NDIS.

The additional financial pressures faced by families needing to purchase health care or early intervention services can be considerable and impacts on the financial health of the whole family. For families with children with additional needs, means-testing the SECLS would act as a further disincentive to workforce participation by a secondary earner.

Proposed Program: the Inclusion Support Program

Speech Pathology Australia supports in principal the proposed ISP to build capacity in the ECEC system to support children with additional needs. It is unclear if the 'once-off grants' relate to once only for a particular provider/service or 'once-off' for each child with additional needs.

Once-off grants for ECEC providers will have minimal impact in increasing long term capacity to provide services to children with additional needs. The scope of what is needed to assist services to provide care for multiple children with a range of disabilities, indigenous children and children from culturally and linguistically diverse backgrounds is so broad, that a once off grant will necessarily need to be restricted to a very, very narrow improvement for an individual service. For example, grants could easily be used entirely in the provision of one piece of equipment or facility amendment, or in providing one episode of professional development training about culturally appropriate care. Once off grants like this will be entirely inadequate to build the capacity of the ECEC sector to support children with additional needs.

Once off grants linked to an individual child assessed as having additional needs provides a more acceptable way of building capacity for that service to meet the needs of that individual child (and which may benefit all the children using that service). The use of that grant could then be tailored to supporting staff to work with that individual child. This might involve professional development or training in relation to a child's particular needs (for example, communication needs at that point in time). An individual child's needs may differ during ages and stages in the early years and a grant that can be used for multiple supports over their involvement in the service is more likely to ensure appropriate inclusion for that child.

Speech Pathology Australia supports investment in capacity building in the ECEC system. However this investment needs to be the most cost-effective and targeted investment for the outcomes wishing to be achieved. A focus on professional development of the workforce is one way to improve inclusion of children with additional needs in the sector. There are very few postgraduate courses or additional training opportunities open to ECEC staff to increase their knowledge, skills and capacity to work with children with additional needs, including developmental delay or communication impairment. The specialist skills and knowledge of speech pathologists should be incorporated into the training, development and support of ECEC educators and could be harnessed through the implementation of a tiered model of speech pathology services (with a focus on tiers one and two).

Information Request 12.7
The Commission seeks views on the best way to allocate a fixed funding pool to support the ECEC access of children with additional needs and deliver the greatest community benefit. This includes views on the best option for allocating the Special Early Care and Learning Subsidy payments for children with disabilities to ensure that the program enables as many children with disabilities as possible to access mainstream ECEC services.

Speech Pathology Australia believes that access and inclusion of children with additional needs in child care and early learning environments should be prioritised in order to achieve greatest community benefit and long term savings associated with improved outcomes for these children. These are the

children who would benefit most from investment during their early years. Whilst it is appreciated that there needs to be parameters to the funding supports in the ECEC reforms – it is the view of Speech Pathology Australia that savings should not be made from cutting or capping programs that directly benefit children with disabilities or developmental delays, Aboriginal children or those living in extreme socioeconomic disadvantage.

Draft Recommendation 12.8

The Australian Government should continue to provide support for children who have a diagnosed disability to access ECEC services, through:

- *access to the mainstream ECEC funding on the same basis as children without a disability and up to a 100 per cent subsidy for the deemed cost of additional ECEC services, funded from the Special Early Care and Learning Subsidy*
- *block funded support to ECEC providers to build the capacity to cater for the needs of these children, funded through the Inclusion Support Program.*

The relevant Government agency should work with the National Disability Insurance Agency and specialist providers for those children whose disability falls outside the National Disability Insurance Scheme, to establish a deemed cost model that will reflect reasonable costs by age of child and the nature and extent of their disability. Based on an assessment of the number of children in need of this service, and the costs of providing reasonable ECEC services, the Australian Government should review the adequacy of the program budget to meet reasonable need annually.

As stated previously, it important that young children with additional needs are not precluded from supports to access ECEC based on a restricted eligibility of 'diagnosed disability'. The (current) eligibility criteria for early intervention (prior to age seven) for the NDIS requires a demonstrated delay in one or more developmental areas and is not restricted to young children who have a 'diagnosed' condition or known cause of their developmental delay. At present, a number of young children with communication impairments or developmental delays in their communication are eligible for NDIS support. Speech Pathology Australia will continue to advocate that these children remain eligible for NDIS support.

It is strongly recommended that eligibility for support for ECEC services for children with additional needs mirror the current eligibility criteria for early intervention under the NDIS.

The NDIS is still in its infancy and the issues regarding the scope of services provided in NDIS early intervention in early childhood and the transition to school based services in each state and territory (such as speech pathology services) are still being resolved. It is difficult to say with any certainty at present how the intersection between child care, preschool-kindergarten, ECIS, school based service and the NDIS in every state and territory will operate. It is critically important that the Commission does not make assumptions about service delivery through the NDIS and assume that children with additional needs who are accessing the ECEC will be 'covered' by the NDIS.

Speech Pathology Australia recommends that children with additional needs who are eligible for the SECLS be funded to 100 per cent of the deemed cost of the additional ECEC service. The deemed cost of additional ECEC services needs to accurately reflect the market cost of providing these services. If the deemed cost for additional needs children is not funded to 100 per cent – providers are likely to pass on the 'gap' to families. Most families with children with additional needs face significant out of pocket health care costs associated with health and disability services for their children – they should not then also be required to pay a 'gap' on the extra cost of having their child with additional needs provided with child care or preschool/kindergarten education. This acts as a further disincentive to workforce participation for families who face the unique challenges of raising a child with additional needs.

Speech Pathology Australia supports the recommendation of block funded support to ECEC providers to build capacity of the ECEC sector to better support children with additional needs. This is particularly important as NDIS funding is individualised funding (and only provides funding for services directed to the individual child) and does not support capacity building or sector development interventions or supports. Compounding this problem is the current retraction of block funded ECIS in states and territories in line with the implementation of the NDIS. It is unclear, and of increasing concern that sector development and capacity building activities do not appear to be funded either through the NDIS nor

state based services. In this climate, it is critical that reforms to the ECEC system build in block funding to support capacity building, environmental assessments and provide professional development opportunities so that the workforce understands how to provide a learning environment that is inclusive and supportive for children with speech and language difficulties.

Information Request 12.9
The Commission seeks information on whether there are other groups of children that are developmentally vulnerable, how they can be identified, and what the best way is to meet their additional needs.

The Australian Early Development Census (AEDC) provides robust data on populations of young children who are developmentally vulnerable on a range of developmental domains – using a validated Australian Early Development Index (AEDI). Using a population approach to identifying the most developmentally vulnerable children means that funding support could be provided to universal and targeted services across health, community and education and care in these areas. Funding could be channelled through local government, early years networks or state based child networks or emerging Primary Health Care Networks where there is an *evidence based* need identified through the AEDC. Whilst there is a likely overlap between developmentally vulnerable populations of children identified through the AEDC and those with high indigenous populations and/or low socio-economic status – using the AEDC bases policy, funding and program decisions on *evidence* rather than *assumption* of developmental vulnerability. The focus of the Disadvantaged Community Program could then be targeted at populations of children demonstrating developmental vulnerability and block funding could be used to build the capacity of services, integrate services and improve services for these children so that the entire population benefits from the increased investment. The periodic collection of AECD provides an inbuilt system to evaluate the effectiveness of investment in capacity building in the ECEC sector in these communities.

Draft Recommendation 5.2
Governments should plan for greater use of integrated ECEC and childhood services in disadvantaged communities to help identify children with additional needs (particularly at risk and developmentally vulnerable children) and ensure that the necessary support services, such as health, family support and any additional early learning and development programs, are available.

In this context of reforms to the early childhood care and education sector, 'disadvantaged communities' should reflect communities that show the highest prevalence of developmental vulnerability in populations of young children (as identified by the AEDC) and not be identified solely on indigenous, low socio-economic or new migrant groups within these communities. Providing funding for the coordination of early years services (across health, family and early learning and developmental programs) in these communities could then be targeted to the specific developmental needs of children in these areas and support early childhood care and learning services to best meet these children's needs.

Speech Pathology Australia sees an important role for health professionals in working with other sectors to identify and improve outcomes for populations of children who are developmentally vulnerable. It is critically important that integrated services or the coordinated network of services (if not co-located) include speech pathology expertise for populations of children that show the highest risk of vulnerability in relation to language and communication. For these communities of the most developmentally vulnerable children, it is critical that all three tiers of speech pathology intervention recommended are funded and implemented in order to decrease the gap in language and communication outcomes of these populations of children prior to school entry.

Preschool – supporting universal access

Speech Pathology Australia asks that the Commission consider our feedback on the following issues identified in the Draft Report.

Draft Recommendation 12.9
The Australian Government should continue to provide per child payments to the states and territories for universal access to a preschool program of 15 hours per week for 40 weeks per year. This support should be based on the number of children enrolled in state and territory government funded preschool services, including where these are delivered in a long day care service. The Australian Government should negotiate with the state and territory governments to incorporate their funding for preschool into the funding for schools, and encourage extension of school services to include preschool.

Speech Pathology Australia supports the recommendation for universal access to a preschool program of 15 hours per week for 40 weeks per year. All children, especially those with language or communication impairments should have the opportunity to participate in a language rich, high quality early learning environment in preparation for school entry. Families should be able to participate in the workforce knowing that their child is being well prepared for entry to school the following year.

The current situation of uncertainty around state and federal distribution of funding for preschools needs to be urgently resolved. The uncertainty regarding the financial arrangements for preschool places undue pressure on service providers (including local governments who part fund preschool in some states), teachers and other ECEC professionals and importantly, parents of young children. The current uncertainty acts as a disincentive for workforce participation in the following year if parents are unable to determine their work availability because preschool hours have not been confirmed.

The preschool year offers an opportune time to identify speech, language or communication impairments in children prior to school entry. In some states there are screening processes which incorporate an assessment by a health professional of a preschool child's developmental progress (for example the current Maternal and Child Health 3.5 year check in Victoria). Screening for language impairment should be incorporated into the preschool education system to ensure that children are identified early, an appropriate referral made and are provided the support to transition to the language demanding environment of primary school.

Ongoing support for Evaluation and Program Assessment

Speech Pathology Australia asks that the Commission consider our feedback on the following issues identified in the Draft Report.

Draft Recommendation 5.4
Early intervention programs to address the development needs of children from disadvantaged backgrounds should be underpinned by research. Their impact on the development outcomes of the children attending should be subject to ongoing monitoring and evaluation, including through the use of longitudinal studies.

AND

Draft Recommendation 13.2
The Australian Government should establish a program to link information for each child from the National ECEC Collection to information from the Child Care Management System, the Australian Early Development Index, and NAPLAN testing results to establish a longitudinal database. Subject to appropriate data protection methods, this information should be made available for research, policy analysis and policy development purposes. The ability of researchers to access unit record information should be permitted subject to stringent privacy and data protection requirements. The Australian Government agency, which is the custodian of the Child Care Management System, should provide a de-confidentialised extract from the database each year that interested parties can use for research and planning purposes.

Speech Pathology Australia, as an evidence based health professional organisation strongly supports the development of robust identification, monitoring and evaluation processes to measure outcomes for children with additional needs (and in particular speech, language and communication needs). It is critically important that an evaluation mechanism be built into any funding reforms to the ECEC sector to improve information about children with disabilities. There is a significant absence of data on these children in Australia and the numbers receiving early childhood intervention services – as reported to the UN Committee on the Rights of the Child in 2011[14]. Reforms to the funding of the ECEC sector offer an opportunity to monitor the effectiveness of early intervention service and supports for these children – at what is anticipated to be minimal cost to the government for such a monitoring system.

Data linkage provides an exceptional opportunity to monitor outcomes for these children and analyse cost-benefits of early intervention for these children.

Speech Pathology Australia is keen to support and be involved in the establishment of a research program around evaluating developmental outcomes of children with additional needs accessing the ECEC system.

Speech Pathology Australia Recommendations

Speech Pathology Australia asks that the Productivity Commission consider the following recommendations when finalising their report on reforms to the ECEC system in Australia:

1. That recognition be made of the importance of the early years in the development of language, speech and communication skills for all children – and that the ECEC system provides a context in which this development can be supported.

2. Increased emphasis should be given to building the capacity of the ECEC sector to provide inclusive access for children with additional needs.

3. Implement an evidence based three tier model of speech pathology support for young children with communication disorders in the child care and preschool sectors.

4. The Australian government should implement a speech, language and communication screening checklist into all preschool/kindergarten services which provides 'flags' for early concerns and referral to speech pathologist where necessary.

5. Children with a developmental delay in one or more areas should be eligible for the Special Early Care and Learning Subsidy. This would then match the current eligibility criteria for early intervention for children less than seven years of age in the National Disability Insurance Scheme.

6. The Special Early Care and Learning Subsidy should not be means tested or activity tested in order to facilitate access to early learning environments for children with additional needs.

7. In families with a child with additional needs, the maximum Special Early Care and Learning Subsidy should be applied for that child, and then a per child subsidy rate should be adjusted for the number of other children in the family accessing early childhood education and care services.

8. The 'deemed cost' of child care and associated 'deemed cost of care for children with additional needs' be adjusted annually to reflect changes in the actual costs of service provision.

[14] Child Rights Taskforce, Listen to Children Report 2011.

9. Places of children with additional needs who are on extended or scheduled (planned) absences due to medical/health/disability needs should be made available to other children on an occasional care basis. These families should not be charged for care when their child was on extended or scheduled (planned) absences if the place has been used for occasional care of another child.

10. That the Australian Government significantly increase the funding allocation for the current Inclusion and Professional Support Program.

11. That eligibility for the current Inclusion Support Subsidy be extended to children demonstrating a developmental delay in one or more areas. This would then match the eligibility criteria for early intervention for children less than seven years of age in the National Disability Insurance Scheme.

12. The Australian Early Development Census should be used to identify populations of children who are the most developmentally vulnerable, and the supports available through the Disadvantaged Communities Program should be targeted to capacity building, service integration and increasing access to care and education within these populations.

13. Speech pathology services should be prioritised for integration into ECEC and childhood services in communities with high prevalence of children who are the most developmentally vulnerable.

14. The Australian Government should come to an urgent agreement with the states and territory governments regarding the funding of 15 hours per week of preschool in 2014.

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