



Early Learning
Association Australia

2019

FEDERAL ELECTION SUBMISSION



EARLY
LEARNING
ASSOCIATION
AUSTRALIA

The voice for parents and service providers

2019 Federal Election Submission

The Commonwealth government provides essential support to children and their families with preschool funding, subsidised ‘child care’ and support to ensure and monitor quality services. The past term of Government has seen:

- the introduction of the Child Care Subsidy which has benefited many families whilst increasing the hardship experienced by those who are locked out of or have limited opportunities for workforce participation
- qualified commitment to the National Partnership Agreement on Universal Access with year by year extensions
- reduced commitment to quality through the ending of the National Partnership Agreement on the National Quality Agenda.

ELAA’s vision is excellence in early learning for every child. All children should have access to early childhood education and care which is recognised as an entitlement. Evidence shows that quality, play-based early childhood education and care makes a long-term difference to the lives of children, to their parents, to communities and to the nation.

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Cover artwork by Esther Curnow, aged 3 years, who benefits from early childhood education.



David Worland
Chief Executive Officer



Lee Cath
President

ELAA’s federal election submission lays out a plan for five essential priorities to be fulfilled in the next term of the Australian Government:

1. reform the Child Care Subsidy to allow all children up to 24 hours of subsidised child care per week and requiring all funded service to prioritise access for children experiencing disadvantage
2. negotiate a new National Partnership Agreement to guarantee permanent ongoing funding for 15 hours of preschool in the two years before school
3. integrate early childhood education and care under a single policy framework
4. commit to funding and developing the National Quality agenda
5. develop and implement a workforce strategy to ensure early childhood education and care services are adequately staffed with well-trained and supported professionals whose skills are valued and recognised.

ELAA and our members want a united commitment across the political spectrum that delivers the benefits of early childhood education and puts children and Australia first.

About ELAA

Early Learning Association Australia (ELAA) is a peak body which works in partnership with early learning providers and parents to deliver excellence in learning for every child. Our diverse membership base of over 1,100 service providers includes early years management organisations, independent kindergartens, local governments, long day care services, government and independent schools and out of school hours care programs.

Valued for our advocacy, ELAA also provides support and advice in the areas of governance, human resources/industrial relations, enterprise bargaining, occupational health and safety and road safety education as well as a professional learning and development and an annual conference. ELAA works closely with Federal, State and Local Governments and collaborates with a diverse range of organisations and peak bodies from across the education and community sectors. Together with our members and partners, ELAA is an influential advocate for excellence in early childhood education for all children.



Our vision

Excellence in early learning for every child.

Our purpose

As a peak body, we champion excellence in early learning for children and support parents and service providers.

ELAA’s Strategic Action Plan

Our Strategic Action Plan 2017–2027 outlines the five big things we want to see so that children are being given the best start in life:

1. Ongoing funding from all Australian Governments that supports a minimum of 15 hours of high quality, accessible and affordable early learning for every Australian child in the two years before school.
2. A wealth of accessible, compelling, Australian-based research driving practice and demonstrating the value of quality early learning to children’s development.
3. A qualified, highly skilled early learning workforce that is acknowledged and rewarded for its professionalism.
4. New integrated service models supported by research that meet the needs of children from communities of social and economic disadvantage, and children with additional needs.
5. A united, collaborative early learning sector that speaks with an influential voice in the public domain.

www.elaa.org.au

Reform of Child Care Subsidy

PRIORITY

Reform the Child Care Subsidy to allow all children to access up to 24 hours of subsidised child care per week and require all funded services to prioritise access for children experiencing disadvantage.

The Child Care Subsidy was introduced in July 2018 to replace the Child Care Benefit and the Child Care Rebate with the aim of reducing the complexity of the system with a single means-tested benefit. The scheme also aims to:

- encourage parental workforce participation by requiring them to meet an activity test
- facilitate children's early learning through their attendance at child care.

The scheme recognises the value of preschool. It offers up to 18 hours per week subsidy to all families earning less than \$350,000 for children attending a preschool program at a centre-based day care service in the year before school. In addition there is no requirement for parents to meet the activity test to be eligible for the subsidy.

The introduction of the Child Care Subsidy has resulted in winners and losers. The winners are the many families which receive increased subsidies of up to 85% of child care fees, and who enjoy an extension to the annual rebate 'cap' from \$7,500 to \$10,000 per year. Those who have lost are children and families whose basic access to child care was reduced, in particular those earning less than \$67,000 with one parent not meeting the activity test.

The activity test is proving to be a barrier for families (whose children are not preschool age), with the impact on the most vulnerable families being the most significant. There are many reasons why families may not meet the threshold activity requirements, including:

- casual and irregular work
- health issues
- homelessness
- language and cultural barriers
- pending court cases
- poor literacy
- poor computer skills
- re-establishing family due to migration, or trauma such as family violence.

“Many families are too scared to use child care fearing that they will run up a debt they cannot afford to repay. Services administering the benefit have also been affected.”

Those who don't meet workforce (or other) participation requirements have had access to subsidised care cut in half from 24 hours per week prior to 1 July 2018 to 12 hours per week. These reductions translate into poorer outcomes for affected children. Many families are too scared to use child care fearing that they will run up a debt they cannot afford to repay. Services administering the benefit have also been affected. There is increased administration with the requirement to collect attendance data as well as documentation on parental activity. ELAA welcomes the recommendation of the *Interim Report on the Effect of Red Tape on Child Care* (Commonwealth of Australia, 2018) that the government examine the regulatory impact of implementing the Child Care Subsidy, including in relation to the activity test.

Children experiencing disadvantage are the ones likely to benefit the most from participation in early childhood education. *The Child Care Provider Handbook* allows providers to set their own policies for prioritising who receives a place, making it in effect optional for them to take on children, for example, who are at risk of serious abuse or neglect (Department of Education and Training, 2018). This means that some providers may not prioritise vulnerable families, putting pressure on those that do and causing further inequities in the service system.

Reform of the Child Care Subsidy is needed to:

- remove the activity test to ensure that all children have access to early childhood education and care, regardless of the employment status of their parents
- ensure all children have access to 24 hours of early childhood education per week
- increase the income threshold for the base entitlement from \$67k to \$100k per annum in household income
- require all child care services to comply with rules which prioritise access for children experiencing disadvantage.

CASE STUDY

Gowrie Victoria is a not-for-profit provider of long day care services. Prior to the introduction of the Child Care Subsidy (CSS) staff at Gowrie worked hard with families they identified as at risk of disengagement due to the overly bureaucratic requirements of the new system. This meant additional administrative resources were employed to work with individual families to meet the requirements of the new system such as setting up a MyGov account. For some families this was met with apprehension due to their fear of government systems, while other families did not have the necessary skills to set up the account.

Since the introduction of the CSS Gowrie has put on an extra administration officer to support multiple families to ensure they submit an assessment of activity every time there is a change. These families are often casual employees with variable hours of participation in work or study. Gowrie Victoria has also worked with other organisations to seek opportunities for families who do not meet the activity test to engage in meaningful volunteer work. This is enabling some children to consistently attend the service and have exposure to a caring environment where their development is supported.

In addition Gowrie works with individual families to determine eligibility for Additional Child Care Subsidy (ACCS). For Gowrie to have the evidence for ACCS requires the collection of documentation from often multiple organisations.

These additional administrative costs are born by Gowrie and has meant fewer resources are now available for direct services for families and children.

Two years of preschool

PRIORITY

Renew the National Partnership Agreement on universal access and commit to permanent ongoing funding of 15 hours of preschool in the two years before school.

Australia can have a more equitable and better educated society if all children attend two years of preschool. Currently Commonwealth funding for universal access for four-year-olds is only guaranteed until December 2019 while access for three-year olds is limited and varies depending on which state or territory a child lives in.

There is overwhelming evidence of the positive outcomes of two years of preschool:

- starting preschool at age three is the one time in life when children who are behind in their learning can catch up to their peers (Fox and Geddes, 2016)
- with their children attending preschool, more parents would enter the workforce, increasing Australia's productivity (Pascoe and Brennan, 2018)
- all children's school results improve with two years of preschool and Australia's declining performance in international benchmark testing will be turned around (Taggart et al, 2015)
- adults who have had two years of preschool are more likely to go on to further education, to be employed and earn more (Taggart et al, 2014; Broekhuizen et al. 2016; PricewaterhouseCoopers, 2014)
- the national costs of education, justice and health are reduced resulting in overall savings (Pascoe and Brennan, 2018)
- increased net GDP of up to \$30 billion cumulative to 2050 (PricewaterhouseCoopers, 2014).

The combined effect of these benefits will lead Australia to be more innovative and competitive with a more adaptable and capable workforce (Pascoe and Brennan, 2018).

Bringing about two years of preschool will first require securing permanent funding of four-year-old preschool to remove uncertainty and provide the necessary foundation for the sector to prepare for growth. Alongside that developing and implementing three-year-old preschool will require all Australian governments to work together with the sector. Although an estimated 21 per cent of three-year-olds currently attend teacher-led preschool in Australia, 68 percent attend early education/child care. Building the capacity of the child care sector to provide teacher-led play-based learning is a cost-effective means of beginning to implement this change as effectively it is the cost of the difference in salary between a diploma-qualified early childhood educator and a bachelor qualified teacher.



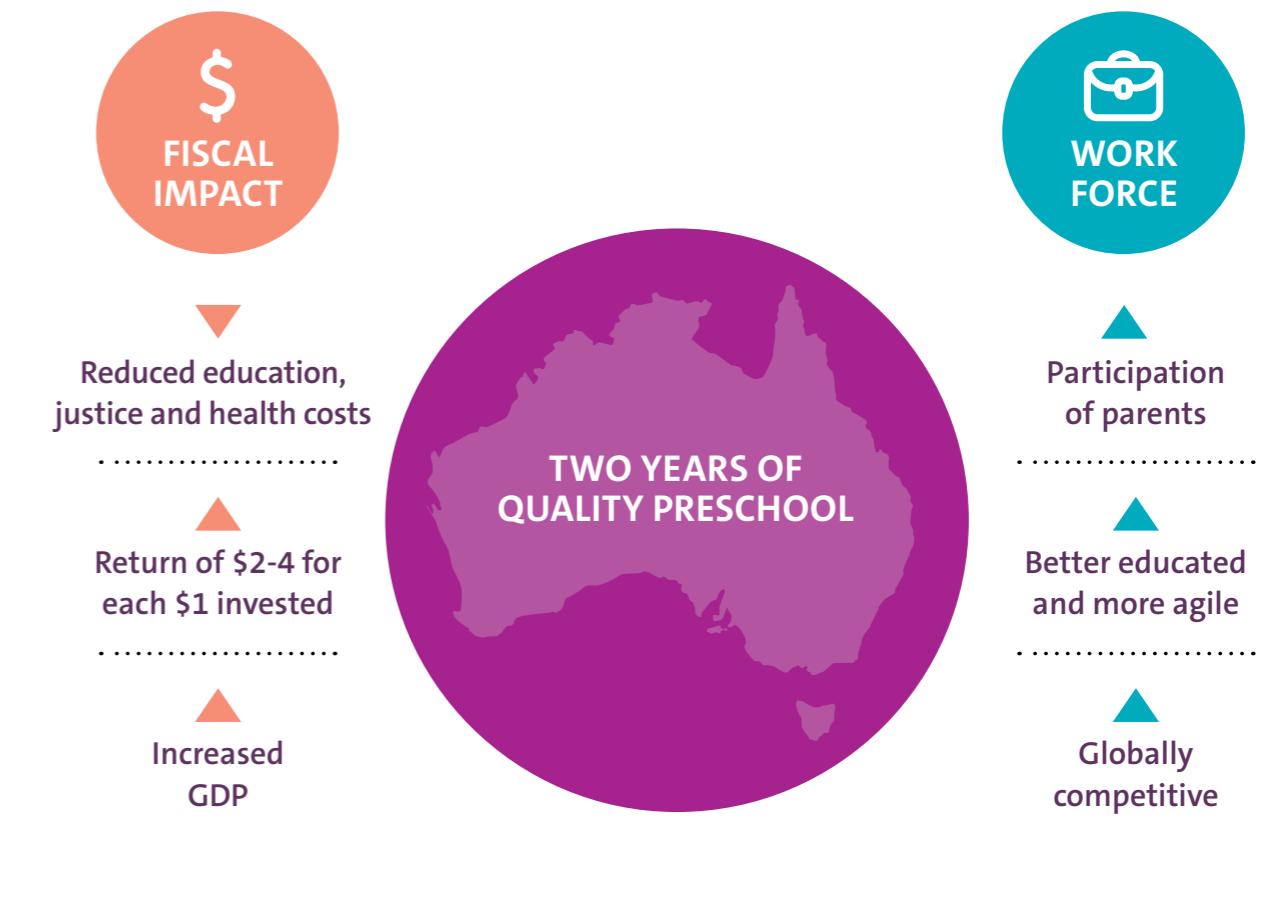
A new National Partnership Agreement which commits to long-term planning and funding to expand the education offering to two years of preschool for all children will bring tangible benefits. The new agreement must outline:

- agreed targets
- design a preschool program which considers ratios, size of the groups, and curriculum
- plan to grow the infrastructure
- develop a workforce strategy to recruit, develop, support and retain teachers and educators
- drive improved quality under the National Quality Framework

- re-design the Child Care Subsidy so children's access to early learning is not dependent on whether their parents are working
- address the barriers to participation such as language and cultural barriers, transport, disability and family functioning and support
- promote the benefits of early learning to ensure take-up by families.

Two years of non-compulsory preschool, of a minimum of 15 hours per week, will give children the best start for their futures and make for a fair and smart Australia.

Figure 1: The national benefits of two years at preschool



Structural reform of education and care

PRIORITY

The integration of early childhood education and child care under a single policy framework which places the child and their rights at the centre.

The Australian system of early childhood education and care is a dichotomy which reflects our history. Preschools began in the 1890s, inspired by the German kindergarten movement, and had an educational focus designed to prepare children for school whereas child care was established in the early 1900s with nurseries or creches as a form of welfare support which would allow mothers and in particular single mothers to work (McGurk 1996).

There have been some significant steps towards integrating the two streams. Both child care and kindergarten/preschools operate under the National Quality Framework (NQF) and the Early Years Learning Framework. The NQF has played a key role in elevating childcare provision to a professional level and in recognising the formative educational role it plays in the lives of children. The Early Years Learning Framework has established a common curriculum across the early education and care sector with clear learning outcomes.

Globally, it is accepted that education and care are two sides to the same coin, and cannot be separated, that children learn from birth irrespective of the settings in which they are cared for. In Australia the distinctions between the two sectors remain, however, and understandably, families are sometimes confused about the difference between 'care', which is associated with long day care and 'education' which is associated with kindergarten/preschool.

The separation is most evident in the way in which these services are funded. Preschool or kindergarten funding is a joint Commonwealth-State/Territory responsibility while funding for childcare is direct from Commonwealth to providers through a Child Care Subsidy and is directly linked to parental participation in the workforce (or related activity such as study, training or volunteering). There is no evidence for this current policy. In fact the evidence shows that children who are vulnerable are the least likely to have access to three-year-old preschool and the most likely to benefit from it (Fox and Geddes, 2016). The right of the child to participate in early childhood education should be independent of the actions of their parents (over which they have no control).

Quality of education is a key determinant of long-term outcomes for children (Hall et al, 2009) and quality is linked to qualifications. There is an opportunity to bridge this critical gap between long day care and preschool by providing top-up funding for bachelor qualified teachers to contribute to educational planning and thereby derive the full benefits of quality education and care of preschool across 'child care' settings.

A unified policy framework for early childhood education and care would set the future of the sector by:

- recognising the critical contribution early learning can make to a child's future during their first five years when up to ninety percent of brain development takes place
- communicating the benefits of early childhood education to parents and to the broader community
- ensuring consistent quality by increasing the qualifications of those in program leadership roles
- reducing confusion across the two systems with common funding parameters.

A single policy framework will deliver outcomes for children, families and for the Australian economy.

Commitment to the National Quality Framework

PRIORITY

A new National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care which provides an ongoing commitment to the National Quality Framework and strengthens support for ACECQA and state and territory regulatory authorities.

The quality of early childhood education and care services matters. Children who attend higher quality services with highly skilled and well supported educators have better literacy and numeracy outcomes and consequently better future earnings (PwC, 2014; Fox and Geddes 2016).

Quality Early Education for All (O'Connell et al, 2016) examined the value of quality early education as 'one of the most significant investments in education and productivity that governments make'. The report identified early education as a key strategy for overcoming disadvantage experienced by children early in life. Quality also plays a protective role for children against some of the risks associated with disadvantages in early childhood (Hall et al 2009; Hall et al, 2013).

However, access to high quality services in Australia is not equal. There is an opportunity divide which is drawn like a line between wealthy and poor communities, cities and remote towns, and children who are from different cultural backgrounds (O'Connell et al, 2016; Tayler, 2016). Currently more than one in five services in Australia are not meeting the NQS (Figure 2).

In the 2018/19 federal budget, the Commonwealth government ceased its funding contribution to states and territories for the assessment and regulation of services citing the conclusion of the National Partnership Agreement on the National Quality Agenda as its rationale. The cessation of funding to states and territories has significantly impacted their capacity to support the assessment and regulation of services, a key driver of quality improvement.

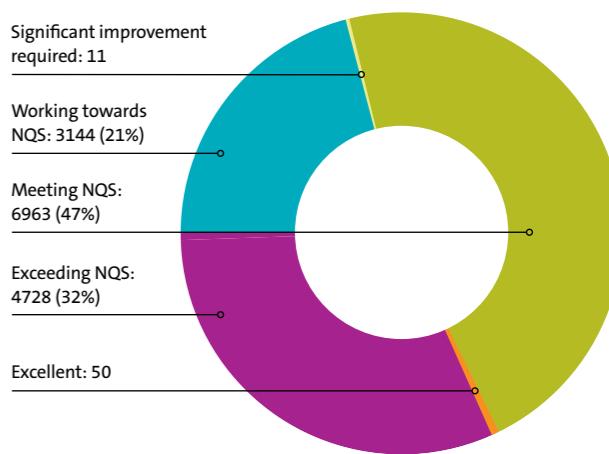
QUALITY EARLY LEARNING REPORT CARD

Ready for school	<input checked="" type="checkbox"/>
High school achievement	<input checked="" type="checkbox"/>
More likely to finish school	<input checked="" type="checkbox"/>
More likely to study post-school	<input checked="" type="checkbox"/>
More likely to be employed	<input checked="" type="checkbox"/>
Higher earnings	<input checked="" type="checkbox"/>

A new national agreement which provides an ongoing commitment to the National Quality Framework is necessary for Australia's early childhood education and care sector.

The Australian Children's Education and Care Quality Authority (ACECQA) plays a critical role driving continuous quality improvement in the implementation of the National Quality Framework and the National Quality Standards. ELAA believes that ACECQA must be retained as a separate entity and not absorbed into the Australian Institute for Teaching and School Leadership. Integration into a school-focussed institute would result in a dilution of the critical functions ACECQA contributes to the children's education and care service system.

Figure 2: Overall quality ratings in Australia as at 31 December 2018 (ACECQA, 2019)



A skilled, valued and supported workforce

PRIORITY

An early years workforce development strategy to ensure a capable and quality workforce is available to meet the long-term demand.

Nationally multiple workforce initiatives have been undertaken in the past few years or are currently underway such as Australian Skills Quality Authority's examination of curriculum and the national review of teacher registration.

The *Early Years Workforce Strategy 2012 – 2016* (Standing Council on School Education and Early Childhood, 2012) ended nearly three years ago and there is currently no overarching plan in place to address the difficulty attracting and retaining staff because of low status, low wages and poor working conditions. Many parts of the sector, including outside school hours care and kindergarten, are heavily dependent on casual and part-time employees. In addition there are increasing and competing workforce demands from other related and growing sectors, for example disability service providers, aged care providers and social and community services. As part of the next phase of the implementation of the National Quality Framework (NQF), from 2020, centre-based early childhood services will be required to have an additional early childhood teacher if they have more than 60 children. With the 2016 Workforce Census showing that the average length of experience in the ECEC sector for paid contact staff was just 6.6 years and fewer people are being attracted to early childhood teacher positions, the capacity of the sector to meet the NQF requirements is in doubt (Social Research Centre, 2017; McKinlay et al, 2018).

One of the key recommendations of the 'Lifting Our Game' Report is the development of a new workforce strategy to "support the recruitment, retention, sustainability and enhanced professionalism of the workforce, thereby improving service quality and children's outcomes" (page 13, Pascoe and Brennan, 2017). A workforce strategy is needed to:

- plan for workforce demands arising from changes in quality requirements and population growth
- address remuneration, recognition and status of educators
- ensure quality training
- encourage and support a diverse workforce to best meet the diverse needs of children and families
- provide high quality professional development options
- recognise the value of educational leadership in pedagogical practice
- improve working conditions through guaranteed access to an Employee Assistance Scheme; on-site mental health support; and an increased focus on OHS.

A workforce strategy would sustainably raise standards and enhance the sector's professional culture to deliver improved educational outcomes for children when it matters most for their future.

rr In addition there are increasing and competing workforce demands from other related and growing sectors, for example disability service providers, aged care providers and social and community services.

CASE STUDY – Workforce pressures

Workforce is a major issue for our organisation. In 2018 we have had to recruit 183 out of approx 300 positions. There are huge pressures on staff, particularly in rural areas which are causing mental health issues. Many are leaving the profession entirely and others are moving into primary school teaching as the remuneration, job security and support structures are significantly better. The constant need to recruit staff and orient them to their work is detracting from our desire to embed quality practices.

We have already commenced recruitment for 2019 with 64 positions being advertised and have to date had no applications for six of these. The majority of roles are Diploma positions.

Rural service

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