

Independent Pricing and Regulatory Tribunal (IPART) NSW PO Box K35 Haymarket Post Shop NSW 1240 Via email: <u>Jennifer.vincent@ipart.nsw.gov.au</u>

31 May 2023

Dear Dr Vincent

Submission to the review of early childhood education and care

We welcome the opportunity to respond to the IPART review of early childhood education and care, announced in April 2023.

Uniting NSW.ACT is the social services and advocacy arm of the Synod of the Uniting Church in New South Wales and Australian Capital Territory. We provide innovative and person-centred services that in 2022 supported over 100,000 people at all stages of their lives, including children, young people and families, older people, and people with disability.

In making this submission, we are drawing particularly on our experience as provider of early learning, consisting of over 50 pre-schools, long day care and out-of-school-hours care services with over 4,200 enrolled children. We provide detailed responses in the attachment to relevant questions in the issues paper.

Overall, we recommend that the governments at all levels work together to:

- Ensure universal access to quality early learning, as an effective means of promoting early childhood development and disrupting entrenched disadvantage;
- Ensure subsidies cover the actual cost of care so that the most vulnerable are not excluded by their inability to afford services;
- Address non-financial barriers to participation in early learning;
- Ensure eligibility for full subsidies for all children, including those seeking asylum;
- Include of the voices of children and families in decisions about improving access and choice of early childhood education and care services;
- Support development and implementation of a national child wellbeing index.
- Fund early childhood education to do more social capital building, which may be through having more social inclusion workers and resources available, establishing a pathway into the profession, funding for language specialists in community languages, increasing payment/remuneration for inclusion support workers and funding for allied health professions that meet the needs of children;

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- Empowerment of early learning services to engage with local communities and services;
- Change the language used by the government to stop referring to the sector as "childcare";
- Actively promote the value of the role of the early childhood educator in the community through a government-funded campaign;
- Actively promote the benefits of early learning for children through a government-funded campaign; and
- Support Early Childhood Australia's goals for 2021-2024, as outlined in their five priorities.

Thank you for the opportunity to contribute. If you would like any more information, please contact Dr Tom McClean, Head of Research and Social Policy, at

Yours sincerely,



per Charlie Chubb Acting Director, Children, Youth and Families

Submission on the Review of Early Childhood Education and Care

Uniting NSW.ACT welcomes the opportunity to respond to the IPART Review on early childhood education and care.

We have a range of experience relevant to this review. We are a provider of quality early learning, consisting of over 50 pre-schools, long day care centres and out-of-school-hours care services with over 8,000 enrolled children. We are also a large provider of a diverse range of early intervention services, many of which support families who are experiencing vulnerability or disadvantage to engage with early learning. These include:

- Links to Early Learning (L2EL), an innovative program we have developed and piloting in South West Sydney and Coffs Harbour/Nambucca Valley, to support families whose children are not in an early childhood education program to find and attend one.
- Several place-based programs, including Aboriginal Families Together in Nambucca Valley and Dubbo, Becoming U Project in the Nambucca Valley, Firefly Bay & Basin in Vincentia, and Maximising the Middle in Campbelltown and Penrith.

We believe a similar place-based approaches would improve access to early learning in communities where there are substantial populations of Aboriginal and Torres Strait Islander and culturally and linguistically diverse families. Place-based approaches are long-term, collaborative community-led initiatives that aim to build thriving communities of people and organisations working towards a shared vision for their communityⁱ.

More generally, we believe in providing early education services to those children and their families who are currently socially and economically excluded. An inclusive society invites and facilitates each person to be actively involved within it, and this should be based on fundamental values of equity, equality, human rights, and social justiceⁱⁱ.

Our discussion paper, *More than money*, argues that the current approach to early childhood education and care has reached the limits of its effectiveness. This approach emphasises subsidising fees as a way of supporting parents' participation in work, and blurs the distinction between early childhood education and childcare. However, for the most vulnerable families, we must pay attention to issues of supply, and to non-financial barriers to access. We recommend improving participation specifically in early learning, including through navigational supports and early intervention to meet families' needs more holistically. We also recommend that early learning services should be empowered to engage with local communities and integrate with local service systems. The paper also calls for governments at all levels to:

- consult and embed the voices of children and families in identifying specific needs and access issues
- innovate strategies in building the capacity of families in regional and rural locations to understand the importance and value of early education, to facilitate whole-of-community approach to uptake of early childhood education and care
- support services and programs in implementing custom, place-based strategies to engage with their communities
- support the use of lived experience and expertise through empowering community members' access to education and training, to become educators for their own

community

We respond to relevant questions listed on pages 5 and 6 of the Issues Paper below.

Access to and choice of services

The current policy goal for the early childhood education and care system emphasizes support parents to return to work, primarily through fee subsidies. It tends to neglect other policy goals (such as finding high quality education that meets their needs) and other issues (including supply constraints, other financial considerations, and non-financial barriers). It places responsibility for managing these competing demands and issues on the shoulders of parents, under the banner of "choice". However, in our experience, this tends to benefit families who already have the resources and opportunities to make meaningful choices. Children and families who would benefit most from high quality services have least access and choice to services that they need.

1. What has been your experience finding early childhood services at the times and places that you need them? How could this be improved?

There are significant differences in access to quality early learning across Australia. These differences are partly spatial: there are not enough services in regional and rural areas. Even in areas with more services some families, particularly those with a disability or from diverse backgrounds (including refugee and asylum-seeking backgrounds), are unable to access quality education and care. The underlying cause is partly structural: the service system is set up within a profit-driven market without legislation to ensure equitable access and appropriate supports for each community to access local services.

The traditional fixed-place, purpose-built Long Day Care model that has been used since the 1990s does not meet the needs and familial preferences of all communities due to its institutional format of replicating formal, regimented school-based education. Flexible models of service delivery that reflect the rural Australian setting and the lived experiences of children/families by providing flexibility in location and innovation in curriculum delivery, will encourage community participation. When parents/guardians make choices for young children, they need to be able to see themselves and the lives they lead and the goals for their children reflected in the model.

2. What has been your experience of getting information to make decisions about early childhood services? What could be improved?

There is a great deal of information available on the early learning system, however the form in which it is available constitutes a significant barrier for many families. Language is a major barrier, particularly in parts of Western Sydney where only 48.1% of households have English is the main language. As one of the most multicultural countries in the world, we should provide information more about services in community languages. Where possible, bilingual staff and/or workers who are community members should be recruited and trained to facilitate conversations about decision-making in early childhood services.

3. What has been your experience with inclusivity at early childhood services? How could this be improved?

Inclusivity in ECEC has limitations due to the funding available and within the ratios of qualified staff to children. Children with high developmental and educational needs benefit from access to the most qualified and experienced teachers and to health specialists and therapies. Currently funding does not cover the provision of even the

minimum qualification. Inclusive services cover the shortfall through fees and many services exclude children with high needs as this would financially impact the ability of the business to turn a profit.

The use of home languages in early childhood education is an essential resource for any child to grow with a healthy identity and a strong sense of belonging. In a country where 48% of the population speak a language other than English at home, resources are needed to ensure community languages are preserved and utilised in the Early Childhood setting. Currently all information about system navigation for ECEC is only provided in English. Multilingual program delivery is rare and often sporadic with no funding provided, and the majority of services only speak English when engaging with children.

Through our Links to Early Learning pilot, we have several years' experience understanding the barriers to inclusion for marginalised families, in Southwest Sydney a culturally diverse community with pockets of significant disadvantage. Based on feedback from the parents we have worked with, we believe this is a significant and widespread issue. They have shared that they feel services are still unable to support them, citing reasons such as not having "the resources to support" their child, particularly with cultural needs or when the child has a disability.

5. What has been your experience of choice in early childhood services? How could this be improved?

In our experience, choice is more an article of faith among policymakers than the lived reality of parents trying to balance the competing demands of returning to work and looking for quality early education for their children. Choice is more likely to be available to affluent parents, and to families living in affluent areas where there are more services. Choices are narrower, or even non-existent, for families living in areas with fewer services or with limited transport options, and for poorer families or those with special support needs.

Affordability of services

6. What does affordable and value-for-money early childhood education and care mean to you and what would make it more affordable for families?

Current policy settings address only one of the costs of early childhood education: fees. Financial assistance should cover all costs of attending and participating, including bonds, excursions, and all other out-of-pocket costs that families. In addition, many families have told us that there is a shortfall between subsidies they receive and the actual costs per day they are charged by long daycare centres. This means that subsidies are often not sufficient to cover the cost of two days' attendance, a situation which disadvantages families of more limited means who may not be able to make up the difference.

7. Besides regular service fees, what other out-of-pocket costs do families have to pay for early childhood services?

Depending on the needs of the child and family, this should include excursion fees or allowances, cost of food, nappies, day care and other costs associated with participating in ECEC programs. We encourage regular, consultative processes to be embedded to keep updated on the community's needs.

8. How do the costs of early childhood education and care affect your family's decision about working (for example, when to return to work after having a baby, and/or how many hours to work)?

The current policy goal is to support parents who wish to return to work. In our experience, parents first and foremost make a straightforward financial decision, and are reluctant to do this where the cost of early childhood education and care exceeds the caregiver's expected income. It is not possible to separate financial and non-financial considerations, however: even those who expect to be better off may face barriers, including finding both work and care that are accessible and flexible.

9. What factors are important to families when comparing early childhood service prices and thinking about whether they offer value for money?

In our experience, families may struggle to attend early learning on a regular basis because of the lack of access to reliable and convenient transportation. This is a particularly acute issue in disadvantaged communities and in regional, rural and remote locations. Some families from Aboriginal and Torres Strait Islander backgrounds are also concerned about cultural safety and appropriateness.

Supply of services

10. How do you think we should measure whether the supply of early childhood services in an area is adequate?

We strongly believe that there should be adequate supply of quality early learning, and not merely early childhood education and care. The most convenient measure of whether this supply is adequate is the proportion of children who meeting the existing policy goal of attending two days per week in the year before school.

We believe just under a third of children may not be meeting the current policy goal. In NSW in 2021, 82.2% of four-year-olds and 24.8% of five-year-olds were enrolled in a preschool program. For those in the "year before school", the estimated rate was 83.1%.ⁱⁱⁱ Figures have fluctuated at more or less this level for several years. However, mere enrolment does not guarantee attendance. ABS data we requested on participation in early learning show that in NSW in 2018 (the most recent year for which relevant data were available) over 10% of children enrolled in early learning attended less than 15h/week. Children from culturally and linguistically diverse (CALD) backgrounds and Aboriginal families attended for fewer hours than others, as did children from disadvantaged communities.

Adequacy of supply is also a question of whether the models that are actually available are appropriate to community needs and context. We do not necessarily believe that further subsidies of existing models will necessarily improve this situation (see our response to question 1). We believe there would be significant merit in regional and rural communities, for example, in exploring other options such as mobile preschools that facilitate culturally accessible and appropriate models of education and care. Delivery of these options are currently hampered by eligibility criteria for funding from different levels of government.

11. Are there particular parts of NSW where you consider there a shortage of early childhood education and care places? Where are they?

Supply varies broadly with affluence and with geographic factors. Our analysis of census data from the ABS suggests that within metropolitan Sydney, many parts of Southwest Sydney have high number of children not attending early childhood education or care.

Similar patterns can be seen in many regional areas such as Casino, Grafton, Lismore, and Scone and surrounds, and more. This is consistent with our analysis of ACECQA register data, which indicates a lack of quality options in many regional and rural areas. These access issues are also consistent with the results of our analysis of AEDC data, which indicates that the same areas generally have a high proportion of children who are developmentally vulnerable. We would be very pleased to share the details with you, if you wish.

14. How do service providers predict or gauge demand for a new or expanded early childhood service?

Our staff and stakeholders have shared that "certain locations and certain cultural groups" have not been reached, and parents felt that there could be more ECEC options and better access to services for children younger than four.

Provider costs and revenue in delivering services

17. What types of costs or circumstances are most challenging for providers in delivery quality of quality early childhood services?

The single most important factor is the availability of suitably qualified staff. This will have a positive impact on the delivery of existing quality programs, in addition to facilitating programs designed to enhance parenting and social connection.

iInsights, Uniting Church Synod of NSW & ACT. (2023). Strengthening Communities Alliance calls for greater focus on place-based work. <u>https://www.insights.uca.org.au/strengthening-communities-alliance-calls-for-focus-on-place-based-work/</u>

ii UNESCO. (2012). Social Inclusion, Social Transformations, Social Innovation: What role for UNESCO in 2014-2021? Consultations of the Director-General with Member States. iii Productivity Commission Report on Government Services 2021.