# Royal Commission into Early Childhood Education & Care

**Goodstart Submission No. 2** 

May 2023

We're for children, not profit.



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### **OVERVIEW**

Goodstart Early Learning (Goodstart) welcomes the Royal Commission's Interim report on 3-year-old preschool and values the opportunity to make a further submission in response to this and the remaining terms of reference. We support the key recommendations for the roll out of universal programs, utilising all settings (recommendation 18) by 2032 and the provision of more hours for children that need more (recommendation 9). This would be an important Australian first to celebrate and a practical step towards realising the potential for early learning to redress disadvantage in childhood and beyond.

We welcome that the Royal Commission acknowledged the value of Long Day Care (LDCs) within communities as demonstrated by the comprehensive Deloitte report, and especially in delivering 3-year-old preschool and providing family and community support in the first 1000 days. In line with our social purpose and investment, Goodstart is particularly well placed to support South Australia bringing allied health into Early Childhood Education and Care (ECEC) and trialling different ways to achieve this. This fits with the growing recognition of ECEC as a "backbone" service connecting children and families to other support services where required, and it is exciting that South Australia may again lead the nation in this regard. We note that service level funding based on need will help to achieve these objectives.

We also welcome the inclusion of the Better Evidence, Better Outcomes, Linked Data (BEBOLD) trial opportunity with Goodstart named as the key partner within the Interim Report, building on our successful social inclusion programs and data linkage that will be available to inform the roll out of 3YO preschool. All that is needed is Government investment to get moving on this.

In considering the interim report we sought advice from our families in South Australia to inform our final recommendations – over 1200 responded. Families with children under 5 prefer being able to access all their early childhood education and care (ECEC) needs on one site and 3- and 4-year-old enrolments are vital to ensuring the long-term sustainability and quality of ECEC services in South Australia. A model that sees reductions in 3- or 4-year-old enrolments, or a lack of investment in 3- and 4-year-olds attending preschool in long day care (LDC) would erode quality and the professional standing of the dedicated LDC workforce in South Australia. Based on feedback from families, and drawing on our expertise as the only national provider with insights into 3- and 4-year-old preschool across every state and territory and the largest provider in South Australia, we suggest some refinements to recommendations in the final report to best deliver on South Australia's objectives:

- Reduce cost barriers for families so out-of-pocket expenses are more comparable across setting types – using the levers available to SA Govt. (Interim report Rec 28)
- Bring pay and conditions for LDC up to sessional preschools so pay and conditions are more comparable across setting types using the levers available to SA Govt. (Interim report Rec 20)
- Improve quality, especially for services that are supporting high proportions of children and families likely to be vulnerable from birth to five – using the levers available to SA Govt (School Resourcing Standard (SRS) style funding but applying at the whole service level and not just the 2 years before school). (Interim report Rec 26)
- Invest in pilot and expansion as outlined in the draft report to progress partnership with BeBOLD, Goodstart and other providers noting opportunities to leverage investment and share learnings starting this year. (Interim report Rec 10)
- Design an implementation pathway that can be agile and adjusted based on policy and investment by the Australian Government – e.g. for Child Care Subsidy (CCS), and wages / Industrial Relations reforms. (Interim report Recs 24 & 31)

The recommendations made in this submission are intended to support the above objectives and should be read in conjunction with our earlier submission.

### **ABOUT GOODSTART**

Goodstart Early Learning (Goodstart) is Australia's largest not-for-profit social enterprise and Australia's largest provider of early childhood education and care, with 661 centres located across every state and territory, supporting more than 63,600 children from 53,700 families. In 2022 our centres supported 5,530 children in SA alone, across diverse communities including around 36% of our services in low SEIFA communities.

We employ more than 15,000 people across the country with around 1,260 in SA. We are also a highly feminised workforce. Like our national profile, in SA our workforce includes qualified educators (Certificate III and Diploma), bachelor qualified teachers and inclusion professionals, including speech pathologists, occupational therapists and child and family practitioners.

South Australia is an important part of our network, with 50 centres and South Australia chosen as the launchpad for key national innovations including:

- investments in inclusion;
- longitudinal research partnerships with University of Adelaide, Better Start Health and Development Research project leveraging the Better Evidence, Better Outcomes, Linked Data (BEBOLD) platform, and
- whole-of-state implementation of child outcomes measures using the Early Years Toolbox.

## Goodstart is the largest provider of birth-three services in South Australia which provides a strong foundation for our relationships with 4,720 families in the preschool years.

Last year, our targeted social purpose investments of \$47 million delivered a social dividend valued at \$336 million.<sup>1</sup> Our social dividend is calculated using a social return on investment methodology and represents the unique social and economic value delivered for children, families, Government and the broader community. In a typical commercial operation, the \$47 million would likely have been paid as profits to shareholders or business owners but we invest in activities like inclusion for children with additional needs, operating in rural and regional and low SEIFA areas, Reconciliation and evidence-based professional development to deliver on our purpose as a social enterprise.

Our purpose is to ensure all Australia's children have the learning, development and wellbeing outcomes they need for school and life. All children should be supported to participate in quality early learning and care, regardless of where they live in Australia, their family circumstances, their inclusion support needs, or their early learning setting. Our unique purpose means we work in partnership with the sector, Governments and the community to improve outcomes for all children – not just the children who attend a Goodstart service.

#### IF YOU WOULD LIKE TO DISCUSS ANY PART OF THIS SUBMISSION PLEASE CONTACT:

Kate Gilvear National Social Policy Manager Goodstart Early Learning

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<sup>&</sup>lt;sup>1</sup> Goodstart Annual Reports, see <u>https://www.goodstart.org.au/media-centre/annual-reports</u>

Email:

### SUMMARY RECOMMENDATIONS

#### Response to the Interim Report

1. That the 600-hr preschool dose is considered an interim step towards a minimum universal entitlement to at least <u>3 days</u> of high-quality inclusive preschool in the two years before school, with up to 5 days for children experiencing vulnerability.

In building the bridge towards this, the South Australian Government should leverage investments being made by the Australian Government to improve access, participation and workforce, including improvements in the CCS activity test commencing in July this year for First Nations families and building momentum to abolish the activity test before 2026.

- **2.** That the final funding model for preschool has two explicit policy objectives to improve children's outcomes and better meet the needs of working families:
  - a) achieve similar out-of-pocket costs across all preschool settings to remove cost barriers and provide parents with more choice; and
  - b) achieve similar pay and conditions for teachers and educators working in LDC and stand-alone preschools to address workforce retention challenges in LDCs.

Where a child attends multiple settings, funding should be prorated, or at a sufficient level to maintain high quality standards across all preschool settings.

- 3. Children at risk of developmental vulnerability who should be prioritised for the 30hr offer include Children at risk of abuse and neglect; Children from low-income families; First Nations children; Children with additional needs, disability, developmental delay or diagnosed condition(s); and Children that are humanitarian entrants or from refugee families.
- 4. Implementation and workforce planning should give consideration to the need to build the supply of allied health professionals dedicated to the early years and ECEC services.
- **5.** The South Australian Government should work with high-quality providers in the planning and delivery of any 'commissioned places' under implementation option 3B.
- 6. That in reviewing funding arrangements for preschool in LDCs, the South Australian Government:
  - a) establish a small implementation working group with representatives from key providers to inform the final funding arrangements, similar to the approach used in Victoria
  - Ensures that funding levels for 3- and 4-year-olds have regard to the total number of children likely to be funded in any class and are sufficient to ensure the retention of an ECT and high-quality programming
  - c) Examine experience in other states in relation to operational funding, additional loadings and fee relief.
- **7.** The State Government should implement a comprehensive communications campaign to support the roll-out of 3-year-old preschool which features:
  - a) messaging around the benefits of preschool and the age-appropriate, play-based nature of 3-yearold preschool;
  - b) the introduction of a 'preschool tick' to publicly communicate to families where a State Government accredited preschool program is operating; and

c) awareness raising regarding the quality rating system and formal advice to families about the outcomes of assessments and ratings at the service(s) in which they are enrolled.

#### The First 1000 Days

- **8.** That the South Australian Government advocates nationally for a consistent entitlement to more paid parental leave that is shared between partners.
- 9. That the South Australian Government work with National Cabinet in the implementation of the National Vision for ECEC to ensure that all children have an entitlement to access up to 3 days of ECEC from six weeks to school age, with up to 2 additional days available for families who need more to support workforce participation or for children likely to experience vulnerability or disadvantage.
- 10. That as an interim measure, the South Australian Government improve affordability of three free or near free days of early learning and care for low- and middle-income families through either supply side or demand side grants to existing high quality ECEC providers recognising the unique barriers to access for very young children. Mothers from low-income families are more likely to increase their workforce participation with free or near free ECEC, and children from low-income families benefit most from early learning.
- **11.** The South Australian Government should incentivise growth in high quality inclusive CBDC providers through a targeted capital and program grants program to expand or enhance services serving high proportions of children and families likely to be vulnerable (e.g., similar to School Readiness Program in Victoria but for from birth-five).

#### Quality

- **12.** Quality must be assessed on an even playing field with ratings and assessments benchmarked against other states and territories.
- **13.** Services assessed as working towards should be assessed every 12 months, with support and supervision programs in place to assist the service to meet the National Quality Standard.
- **14.** Families should receive advice from the ESB about the outcome of assessment and rating for the service that their child attends.

#### **Outside School Hours Care**

**15.** Outside school hours care for children in preschools on school sites should, as far as possible, be offered as an extension of the preschool program in place, with educator-child ratios and relationships maintained as much as possible to support children's transitions

#### Workforce

**16.** That the Final report recommends a named role within the South Australian Government, with special powers to report directly to the Minister to resolve issues in relation to teacher registration and recognition of birth to five degrees and other degrees recognised by ACECQA for resolution within 12 months.

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### **1. RESPONSE TO THE INTERIM REPORT ON 3YO PRESCHOOL**

The Royal Commission is an opportunity to increase the minimum preschool dose for all children AND offer more hours to children who experience vulnerability

Currently a majority of three- and four-year-olds across Australia are already receiving more than 15 hrs preschool a week, but eligibility and access is tied to their parents' workforce participation. The children who would benefit the most, such as children in jobless households continue to miss out or receive only the minimum 600hr dose which hasn't been enough to shift developmental vulnerability in the last decade. We also know that the more days a child attends, the less likely the child (and the family) are to drop out of early learning.<sup>2</sup>

The Australian Government's Productivity Commission Inquiry into ECEC is an opportunity to flip the system to one which prioritises a child-level entitlement, and one which guarantees a minimum of entitlement to all children with more for children that need more or to support workforce participation.

However, the SA Government does not need to wait. Interim steps to achieve this ultimate goal and improve participation are in place now, with the first universal entitlement to CCS commencing in July for children who identify as Aboriginal and / or Torres Strait Islander – providing all children who identify with access to 36 hours of income-tested Child Care Subsidy (CCS) from birth to school age. Further, there is growing evidence and momentum to abolish the Activity Test and provide a minimum entitlement of three days (or 72 hours of income tested CCS) for all children, with low-income children identified as a priority cohort.

We also note that all children at serious risk of abuse and neglect are also entitled to up to five days of free ECEC now through the Additional Child Care Subsidy (ACCS) – albeit with a highly onerous administrative process to ensure ongoing evidence requirements are met. The Goodstart approach facilitating and maximising access to CCS entitlements through Child and Family Workers referenced on page 17 of the interim report has been delivering good results in improving access and participation.

The Royal Commission's proposed 2-day (600 hour) entitlement should therefore be seen as an interim step towards a universal 3-day entitlement and should give consideration to an approach that scales this commitment up as improvements to CCS eligibility are implemented. Improvements to CCS eligibility, including if the CCS activity test is abolished ahead of 2026, would then allow the South Australian Government to focus investment on the children that are most likely to be missing out.

Evidence and practice experience suggests that until children experiencing vulnerability receive a higher dose of high quality ECEC, the attainment gaps we see in NAPLAN results and later in school and life will not narrow.<sup>3</sup> Goodstart supports a base entitlement to 3 full days of preschool for all children, with up to five days for children that need more. A three-day attendance pattern also provides more opportunities for children to achieve a minimum dose across the full year and providers more opportunities to promote

<sup>&</sup>lt;sup>2</sup> For more information on evidence about dose and participation, see Goodstart's Productivity Commission Submission. <u>https://www.pc.gov.au/inquiries/current/childhood/submissions#initial</u>

<sup>&</sup>lt;sup>3</sup> Brinkman S., Gregory T, Harris J, Hart B, Blackmore S, Janus M (2013) Associations Between the Early Development Instrument at Age 5, and Reading and Numeracy Skills at Ages 8, 10 and 12: a Prospective Linked Data Study, Child Ind Res (2013) 6:295-708 DOI 10.1007/s12187-013-9189-3.

continuity of learning and would ensure children in South Australia aren't being left behind children in other states.

#### The following recommendation relates to interim report recommendation 9 and 18

**Recommendation 1**. That the 600-hr preschool dose is considered an interim step towards a minimum universal entitlement to at least <u>3 days</u> of high-quality inclusive preschool in the two years before school, with up to 5 days for children experiencing vulnerability.

In building the bridge towards this, the South Australian government should leverage investments being made by the Australian Government to improve access, participation and workforce, including improvements in the CCS activity test commencing in July this year for First Nations families and building momentum to abolish the activity test before 2026.

# Policy settings should not provide financial incentives for children to attend multiple settings – noting accessing multiple services is not optimal for children's outcomes and adds unnecessary complexity for busy working families with young children.

Unfortunately, while there is a free option for 2 days of preschool a week, parents will be incentivised to cobble together multiple preschool programs and transitions each week, which is not optimal for child outcomes.

International thought leader Carla Rinaldi, during her period as 'thinker in residence' in South Australia in 2013, was very critical of the 'fragmented' approach to preschool for 4-year-olds – splitting time between part time preschools and long day care centres – and warned this could result in the discontinuity of the required conditions and protective factors for wellbeing and education:

"Among the rights of children and in particular the very small ones, there is the right to live and be in situations in which it is possible to build long-lasting, constant relationships.... If early childhood services are considered just as places to meet the needs of working families, and the right of children to build strong and constant relationships and friendships is not taken into consideration, there is a risk of environmental, cognitive and affective fragmentation that could disorient children."<sup>4</sup>

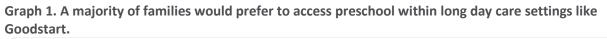
Research shows that the relationship between educators and children is crucial to emotional elements of ECEC that are so central to child development.<sup>5</sup> Fracturing that into multiple relationships across multiple settings is well short of best practice as stability is important to children's development because they thrive with predictable schedules and routines and familiar settings and people with whom they feel secure.<sup>6</sup> Instability in ECEC arrangements in preschool years has been found to be related to behavioural problems

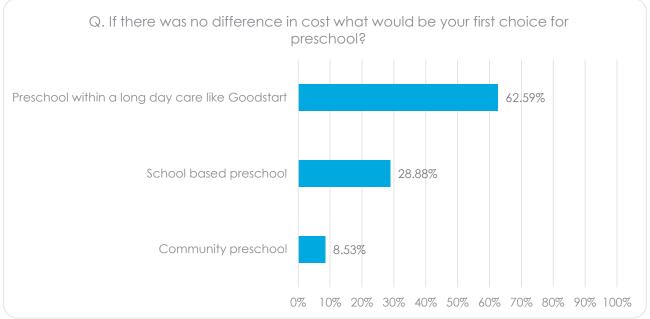
 <sup>5</sup> Jennifer Bowes, Linda Harrison, Naomi Sweller, Alan Taylor and Cathrine Neilsen-Hewett (2009) From Child Care to School: Influences on Children's Adjustment and Achievement in the Year before School and the First Year of School: Findings from the Child Care Choices Longitudinal Extension Study Research Report to the NSW Dept of Community Services July 2009
<sup>6</sup> Sandstrom H Huerta S. (2013) "The Negative Effects of Instability on Child Development: A Research Synthesis." Low-Income Working Families discussion paper no. 3. Washington, D.C.: Urban Institute

<sup>&</sup>lt;sup>4</sup> Rinaldi, C "Re-imagining Childhood" The inspiration of Reggio Emilia education principles in South Australia" Adelaide Thinker in Residence 2012-13, Govt of South Australia, p. 37-39

for children and later school internalising problems, and unaffordability of ECEC likely contributes to low-income families use of multiple arrangements.<sup>7 8</sup>

Feedback from our family survey showed that if there was no difference in cost, 63% of families would choose preschool within a long day care setting like Goodstart because they value the flexible hours and availability of care for 52 weeks of the year. This is almost the inverse of the current state government funding model which directs more than 80% of funding to public preschools.





Moreover, when we asked what would make families choose Goodstart for 100% of their child's preschool, the largest number of responses related to parents' recognition that children need consistency to support their development, and a belief that their child's development would be better supported by attending one service with one group of friends.

These results suggest that affordability is a major driver of parent choice and challenges the suggestion in the Interim Report that:

"Many families choose to enrol in government preschool and LDC. This demonstrates that there are families who value Department of Education services over and above LDC".<sup>9</sup>

Against the backdrop of significant cost of living pressures, it seems likely that families are mixing services to meet their workforce participation needs and that families are trying to reduce their out-of-pocket costs by combining their ECEC settings, even when they actually value consistency of services for their children.

<sup>&</sup>lt;sup>7</sup> Claessens A, Hao-Chenm J (2013) "Multiple child care arrangements and child wellbeing: Early care experiences in Australia" Early Childhood Research Quarterly vol 28 p 49-61; Schmitt S., Mihalec-Adkins B., Lipscomb S, Pratt M, Horvath F (2022) *Longitudinal relations among child care stability during the prekindergarten year and behaviour problems, Children and Youth Services Review vol. 138 July 2022 106522* <u>https://doi.org/10.1016/j.childyouth.2022.106522</u>'

<sup>&</sup>lt;sup>8</sup> Pilarz A (2018) Child care subsidy programs and child care choices: Effects on the number and type of arrangements, Children and Youth Services Review vol 95 Dec 2018 p 160-173 https://doi.org/10.1016/j.childyouth.2018.10.013

<sup>&</sup>lt;sup>9</sup> Royal Commission Interim report, p23 <u>https://www.royalcommissionecec.sa.gov.au/documents/RCECEC-Interim-Report-Version-</u> <u>2-Website.pdf</u>

While there is anecdotal evidence that some parents perceive a quality difference between LDC and staterun preschools, this can also be addressed by increasing the professional standing of teachers and educators working in LDC services and improving quality or programs, pay and conditions to better match the pay and conditions enjoyed by teachers and educators working in state-run preschools. Specifically, the design of investment to deliver 3- and 4-year-old preschool should increase payments to LDC services to fund improved pay and conditions for the workforce.

Comments we received include:

#### BOX 1. FAMILY SURVEY FEEDBACK ABOUT WHY PRESCHOOL IN AN LDC WOULD BE THEIR FIRST CHOICE

"Enabling the child to stay at the same facility, [with the same] friendship groups and educators. No needing to transition to a different school for 12 months just to transition to a school 12 months later (as in the child would have attended 3 different facilities in 3 years -I would rather the child stay at a centre for daycare + kindy and then just transition to school for Reception)."

"I would prefer consistency of care for my children rather than moving them between facilities."

"The staff already know my kids development, I don't want to educate new staff only for my kid to start school the following year."

"Making it less stressful on my child with letting them stay with educators they know longer"

"As my husband and I work full time the hours and availability is helpful and my child has been at the centre from 7 months old. The educators and the care are amazing"

"The preschool at community or local school are only working until 3.15 pm and it is really challenging for a working parent to pick up your kid at that time. Day care like Goodstart provides care until 6.30 which suits my working schedule."

"The continuity of care and relationships extending through their care journey before primary school starts. School preparedness seems well addressed in the Goodstart Kindy program."

#### The following recommendation relates to interim report recommendation 29

**Recommendation 2**. That the final funding model for preschool has two explicit policy objectives to improve children's outcomes and better meet the needs of working families:

- a) achieve similar out-of-pocket costs across all preschool settings to remove cost barriers and provide parents with more choice; and
- b) achieve similar pay and conditions for teachers and educators working in LDC and stand-alone preschools to address workforce retention challenges in LDCs.

Where a child attends multiple settings, funding should be prorated, or at a sufficient level to maintain high quality standards across all preschool settings.

## We know which 3- and 4-year-olds are at risk of poorer developmental outcomes and offering additional preschool hours to them will have a meaningful impact

Goodstart welcomes the Royal Commission's recommendation to provide additional hours of preschool to children at risk of poorer developmental outcomes (up to 30 hours). This creates the exciting potential for South Australia to be the first Australian jurisdiction to approach preschool design from the standpoint of proportionate universalism, matching the scale and intensity of the program to need and aligning with the best available evidence on the benefits of preschool.

While the latest Australian Early Development Census found one quarter of all children in South Australia start school developmentally vulnerable on one or more domains, we note that to ensure uptake by those most at risk, eligibility for the additional hours may need to be to be extended to include a larger proportion of children – potentially up to 40% of all children which is roughly equivalent to children in the bottom two SEIFA quintiles.<sup>10</sup>

The evidence base shows that children who are vulnerable or disadvantaged benefit from longer dosages of quality ECEC.<sup>11</sup> Vulnerable children that have an entitlement of at least three days of early learning tend to participate and stay in early learning at a rate comparable to their more advantaged peers, whereas children with an entitlement of less than three days are around 29% more likely to drop out of early learning.<sup>1</sup>

Children likely to experience developmental vulnerability, who should be eligible for the additional hours are outlined in Table 1 below.

There are simple approaches that leverage existing administrative systems for approved providers that can be used to identify the overwhelming majority of these children. Goodstart would be pleased to provide this detail to the Commission or the department on request. We also note that many of these children will have access to Australian Government CCS, providing opportunities to target investment to children missing out.

Suggested eligibility criteria	Access to CCS?
Children at serious risk of abuse or neglect	Yes – up to five days free, providing strict
	eligibility and evidence requirements are met
	on a rolling 12 weekly basis
Children from low-income families	Yes – between one and five days subsidised
Aboriginal or Torres Strait Islander children	Yes – up to two days subsidised
Children with additional needs, disability,	No. CCS eligibility based on parental workforce
developmental delay or diagnosed condition(s)	participation or parent being in receipt of carer
	payment.
Children that are humanitarian entrants or from	No.
refugee families	

#### Table 1. Suggested cohorts for targeting additional preschool hours

<sup>&</sup>lt;sup>10</sup> While Goodstart supports place-based initiatives, we generally advocate for more precise methods of targeting support than SEIFA is able to deliver, for example, using a family's FBT status.

<sup>&</sup>lt;sup>11</sup> Robin K, Frede E, Barnett W.S. (2006) "Is More Better? The Effects of Full Day vs Half Day Preschool on early School Achievement" NIEER Working Paper, National Institute of Early Education Research Washington DC; Loeb, S., Bridges, M., Bassok, D., Fuller, B., Ruberger, R. (2007), "How Much is too much: The influence of preschool centers on children's social and cognitive development", Economics of Education Review, 26, 52-56

The following recommendations relate to interim report recommendation 9

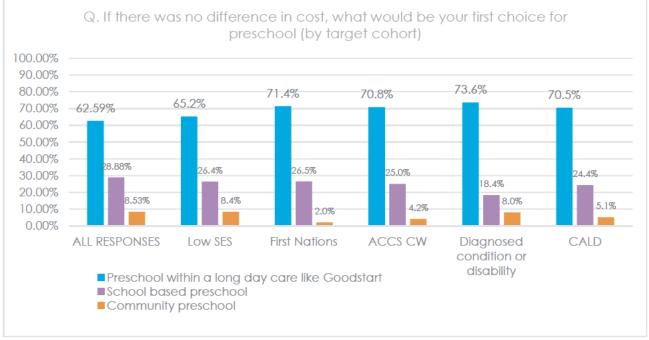
**Recommendation 3.** Children at risk of developmental vulnerability who should be prioritised for the 30hr offer include Children at risk of abuse and neglect; Children from low-income families; First Nations children; Children with additional needs, disability, developmental delay or diagnosed condition(s); and Children that are humanitarian entrants or from refugee families.

Children that are developmentally vulnerable are more likely to be enrolled in Goodstart services for their preschool year, but are less likely to attract state government funding

In line with our social purpose and 'no exclusion' policy, Goodstart has an over-representation of children at risk of developmental vulnerability across all age groups and is particularly well-positioned to support this aspect of the roll-out.

In South Australia in 2022, 52.3% (559) children enrolled in our 4-year-old preschool program were vulnerable on one or more of our CARE markers (aligned to Table 1 above). These children would benefit from eligibility to the 30hr offer. Moreover, 336 of these children were already attending our service for 3 or more days, providing a significant baseline to build on in implementation. Feedback from our family survey also showed that these families are more likely to prefer preschool in an LDC like Goodstart (See Graph below).





However, many of these children attend preschool across two settings as parents seek to meet their child's learning needs, their workforce participation needs and to reduce their out-of-pocket costs. This should be a concern for the Royal Commission, and as outlined above, we know that all children benefit from a small number of consistent relationships and spending their time in high-quality learning environments. For developmentally vulnerable children, consistent relationships and environments matter even more and they are the least likely to be equipped to cope with multiple transitions during a week.

Underscoring this point, in 2022 only 32% or 183 of the 559 developmentally vulnerable children attending preschool at Goodstart attracted any state government preschool funding, suggesting that their preschool funding was instead directed to state preschool services where they potentially spent less time overall. This has a profound impact on the ability of LDC providers to offer high-quality preschool programs to all children within a class.<sup>12</sup> Going forward, funding should be prorated to ensure very high-quality preschool programs are offered to the children that stand to benefit the most and in the preschool settings that they spend the most time.

These issues should be considered as part of the review of LDC funding models for 4-year-olds recommended by the Royal Commission (Rec 29).

## We already know what works when it comes to targeting the expanded 30hour preschool offer to children at risk of developmental vulnerability

Maximising take-up and acquitting the principle of proportionate universalism in the roll-out of the twoyear preschool program will require a focus on the 37% of three-year-olds who are not currently engaged in early learning, the 5% families who have never been engaged in 4YO preschool and also the cohort of disadvantaged children who are participating but are not receiving the full dose.

Fortunately, Australia now has many years' experience in engaging vulnerable children in preschool programs, and we already know what works when it comes to layering supports and removing barriers to access and participation. Cost, location, transport, parent workforce status, visa status and cultural safety should not be barriers to access.

Our first submission detailed a number of efficient in-house interventions and programs that can readily be taken to scale universally and for different cohorts. Here outreach and connector roles, such as the Increasing Access and Participation model developed by Goodstart will be instrumental in supporting soft entry into preschool for hard-to-reach children.

Building on our initial submission, we recommend that the roll out of the additional hours includes focussed outreach and engagement strategies for:

- Children at risk of abuse or neglect this will require coordinated effort across state government agencies to ensure that all children known to South Australian child protection services are provided with 30hrs of early education. Children living in out of home care and in residential care deserve priority focus, and the clear targets should be set around their participation.
- First Nations Children Our first submission highlighted the importance of cultural safety in engaging First Nations children and families in preschool and the success story in South Australia where more than 95% of First Nations 4 years olds currently participate in 600hr preschool programs and many also access an additional year. Goodstart undertakes a number of initiatives to support First Nations children and families and community connections.

Underscoring the important roles these play, feedback from our family survey showed that First Nations Families rated ECEC services as one of the most valuable services in the early years at a higher rate (98% First Nations vs 92.28% Overall)

<sup>&</sup>lt;sup>12</sup> As detailed in Goodstart's earlier submission at pp13-16, <u>https://www.goodstart.org.au/getmedia/c9658048-fe32-4678-af3b-0d6cc4d0e097/Goodstart-Submission-SA-Royal-Commission-3YO-Preschool-February-2023.pdf</u>

"What I LOVE about Goodstart is their play-based learning and the focus on Aboriginal and Torres Strait Islander perspectives and culture in the physical space of the centre and in the learning." – Goodstart Parent Survey, 2023

 Culturally and linguistically diverse communities – Our first submission highlighted the value of bicultural workers in engaging under-represented CALD communities in ECEC. This was reinforced through our family survey where 29% of respondents agreed that cultural safety and commitment to inclusion were important factors in selecting ECEC and preschool providers, with comments including:

"Care provided to children should be culturally inclusive. I am of Nepalese heritage and at Goodstart there is an educator who opens doors to the Nepalese culture and heritage for my daughter. I don't have any family in Australia and my husband is a Caucasian man, so any access to heritage and culture in my daughter's care and interaction will be the driving factor for my decisions on where I place her." – Goodstart Parent Survey, 2023

## Goodstart strongly supports earlier identification and intervention in ECEC sites (Rec 11), and service level funding based on need would support building this capability over time

Goodstart welcomes the Commission's focus on the opportunities to develop ECEC services as "backbone services" for the broader early childhood development system.

Increasingly, ECEC services are being recognised as a potential universal entry point, or backbone service for the early childhood development system, with a majority of children attending a CCS funded ECEC service by age 2.5. ECEC is used more by children and families than any other early childhood development service, and utilisation is expected to increase when the Prime Minister's commitment to a universal, affordable system reduces cost barriers for children and families.

Interim Report Recommendation 11 is for the adoption of a two-year preschool program that includes the following elements:

- a. Each individual child to receive their learning entitlement (including adjustments required) from an early childhood teacher operating with support from allied health professionals as appropriate
- b. Early identification of a child's developmental needs on site (e.g., by child development checks) and organised pathways to funded interventions, including providing those on site as appropriate
- c. Organised pathways to broader parental and community supports including those provided on site as appropriate

Should the Government choose to implement Option 3B in the roll out of 3yo preschool, these supports can be readily built into the 'commissioned places' and new integrated services that are proposed. But it will be equally as important to ensure that these supports are made available to all children, regardless of their location through existing or new high-quality ECEC services.

We would be pleased to work with the South Australian Government to trial and, where possible, fast track the roll out of these models, noting that this will also require concerted workforce strategies to build the supply of allied health professionals dedicated to ECEC services.

#### The following recommendations relate to interim report recommendation 11

**Recommendation 4**. Implementation and workforce planning should give consideration to the need to build the supply of allied health professionals dedicated to the early years and ECEC services.

**Recommendation 5.** The South Australian Government should work with high-quality providers in the planning and delivery of any 'commissioned places' under implementation option 3B.

## South Australia can learn from experience in other States and Territories when reviewing the funding model for LDCs

Goodstart strongly supports Interim Report Recommendation 29, for the current four-year-old per child funding for long day care and non-government provision of preschool be reviewed considering the increased expectations of, and support for, preschool outlined in the Report. This review, should however, establish a small implementation working group with representatives from key providers to inform the final funding arrangements for both three- and four-year-old programs.

We agree that the new per child funding level for both three and four-year-olds should include the following with additional focus on achieving parity across settings for both out of pocket costs; workforce pay and conditions; and quality:

- Funding sufficient to meet professional learning and release time requirements for early childhood teachers *so conditions are matched between LDC and preschool* (per Recommendation 20)
- Loadings (or equivalent service provision) for the provision of layered supports to children in the service who are likely to be developmentally vulnerable and/or need additional support (per Recommendation 11)
- In addition, providers in areas of high concentrations of developmental vulnerability, should receive funding to reflect the increased case management, community outreach and removal of barriers to access (such as provision of transport, some fee subsidies) (per Recommendation 25)

There are currently three types of preschool enrolments in LDC:

- Children who attend 600 hours preschool solely on LDC
- children who attend part of 600 hours in preschools and part in LDC (1 in 3 of all preschoolers) and
- children who attend 600 hours in preschool and additional days in LDC (sometimes more than 600 hours).

Currently only the first group receive state investment for their LDC preschool attendances. Yet, South Australia would benefit from ensuring ALL preschoolers in LDC have the benefit of high-quality ECE delivered by a teacher. Given only 30%-40% of 4-year-olds receive funding for their preschool program in LDCs, the review must also consider the potential need for differential per child funding amounts, or different funding streams to support 4-year-old programs.

In designing a new funding model for LDC preschools, we would urge the South Australian Government to consider experience in other states and territories with per child operational subsidies, service level funding to build capacity, fee relief and additional supports for children who need it. Funding guidelines such as those Queensland recently introduced which designate a proportion of operational funding must be spent on above award conditions and wages for ECTs hold promise in improving the retention of teachers in the LDC sector. Critically, the amount of funding provided to LDCs must be enough to ensure the retention of a ECT which is fundamental to program quality.

Victoria's School Readiness Funding is a highly effective way of building the capacity of educators within services to work with children experiencing vulnerability. Under this model, funding is allocated at a service level based on a calculation of need and services must spend their allocation on an 'menu' of supports which align with three priority areas:

- communication & language development
- wellbeing & social and emotional support
- access and inclusion

The funding must be fully acquitted against the delivery of additional supports and in line with an annual service-level plan, with opportunities for larger providers to pool this funding to achieve economies of scale. A similar model exists in New Zealand where local groups of services can pool their funding. Reviews conducted by the Victorian Department of Education have shown that the provision of allied health within ECEC services has had a significant impact on educator capacity.

In the SA context a service level funding program based on the needs of all children aged birth to five enrolled in a service would support capacity building in LDC over time and support the Commission's broader objectives for the first 1000 days and 3-year-old preschool. This whole of service approach is likely to be necessary as current funding approaches mean typically only 30% of 4-year-olds attending preschool within LDCs receive state funding.

South Australia can also look to New South Wales and Victoria's experience in bringing in universal fee relief from this year, which has been a highly successful and popular measure for families looking for costof-living relief. Queensland has recently announced its intention to follow suit. The amount of fee relief provided in both states of approximately \$2100 is reducing costs for families by covering the gap fee after CCS for two days attendance each week. We would be pleased to work with the South Australian Government on modelling for the fee relief needed to remove cost barriers for target cohorts and to share our experience in implementing these payments for families in 2023.

Other options that could be implemented or scaled to deliver improved access that have been successfully implemented elsewhere include:

- Expanding Community and Family Workers under Goodstart's Increasing Access and Participation Program – as noted in interim report to identify and engage children missing out on ECEC
- Purchasing places from high quality providers with a proven track record of inclusive high quality preschool programs for highly vulnerable 3- and 4-year-old children this approach is working well in ACT and Tasmania

More information about these models can be provided on request.

The following recommendations relate to interim report recommendations 11, 20 and 25

**Recommendation 6.** That in reviewing funding arrangements for preschool in LDCs, the South Australian Government:

- a) similar to the approach used in Victoria establish a small implementation working group with representatives from key providers to inform the final funding arrangements
- Ensures that funding levels for 3- and 4-year-olds have regard to the total number of children likely to be funded in any class and are sufficient to ensure the retention of an ECT and high-quality programming
- c) Examine experience in other states in relation to operational funding, additional loadings and fee relief.

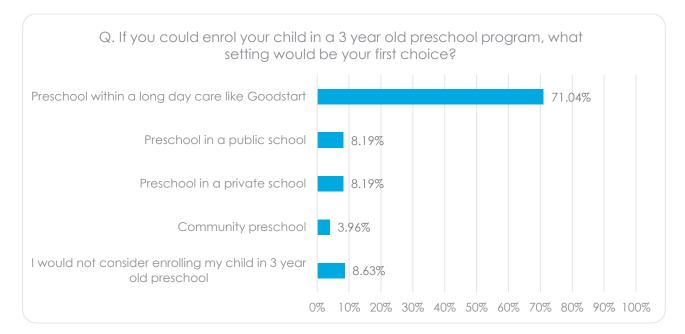
## Implementation must be supported by a comprehensive communications campaign to raise awareness of the benefits of three-year-old preschool and understanding of the quality rating system

Implementing 3-year-old preschool will require a targeted, public awareness campaign to improve understanding in the community of:

- 1. the benefits of play-based, age-appropriate early learning and preschool programs, and
- 2. understanding of the quality rating system and the provision of quality preschool across all setting types and how to look for a quality provider

Our family survey found that 71% of families would prefer their child attended 3-year-old preschool within a long day care setting like Goodstart. For many, the reasons for this were similar to those for 4 years old – continuity of care, quality programming and supporting workforce participation. But for some this also related to a perception that 3 years is too young for a school environment. A significant proportion of families, almost 9% also told us that they would not consider enrolling in a 3-year-old preschool program at all.

#### Graph 3. A majority of families would prefer to attend 3yo preschool in a long day care like Goodstart



In addition to raising general public awareness on the benefits of a second year of preschool, the South Australian Government must also invest in raising awareness of the quality system and how to identify a quality preschool service.

Historically, preschool delivered in LDC settings has been referred to as kindy while school based, or standalone preschools were considered 'preschool'. This is outdated and may contribute to perceptions of a difference in the quality of the learning program across settings. An effective way of countering this would be to introduce a 'preschool tick' campaign similar to Victoria and Queensland where approved kindergarten programs display a prominent tick at their service, and communications materials encourage parents and carers to 'look for the tick' when selecting programs.

Another effective way to improve community understandings of quality would be to introduce the formal notification of Assessment and Ratings outcomes to all families enrolled within a service. Currently services rarely advise families when they have been rated as 'working towards' and many families do not

understand the quality rating system at all. This compares to the UK where all services are rated regularly, and all families are advised regularly of the outcomes of that rating. This leads to differences in consumer behaviour with a greater awareness and a lower tolerance for services that are not high quality.

BOX 2. FAMILY SURVEY FEEDBACK ABOUT WHY FAMILIES WOULD NOT CONSIDER ENROLLING IN 3YO PRESCHOOL

"It still feels like they are treated as children (in LDC) and aren't forced into a school environment when they are essentially still toddlers."

"I believe at this age the focus should be on play"

"Child is still very young - not ready for school setting yet."

"3 is a bit too young for school based kindy setting"

"I feel 3 is too young for community/school-based preschool so childcare seems more appropriate at the younger age"

*"3 is very young so would prefer a childcare setting where they are used to looking after young children. Also consistency, my child will be used to attending childcare."* 

"Unsure as to how structured preschool for a 3year is meant to be. I believe allow kids to explore, play and be kids before expecting school standards from them."

The following recommendation relates to interim report recommendation 21

**Recommendation 7**. The State Government should implement a comprehensive communications campaign to support the roll-out of 3-year-old preschool which features:

- a) messaging around the benefits of preschool and the age-appropriate, play-based nature of 3-year-old preschool.
- b) the introduction of a 'preschool tick' to publicly communicate to families where a State Government accredited preschool program is operating; and
- c) awareness raising regarding the quality rating system and formal advice to families about the outcomes of assessments and ratings at the service(s) in which they are enrolled.

### 2. THE FIRST 1000 DAYS

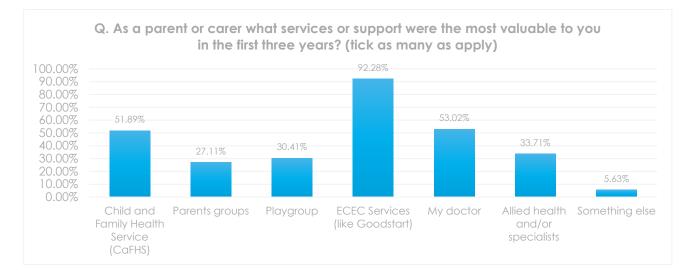
## The central aim of early learning and care is to scaffold children's growth and development to set them up for success in learning and in life

It is recognised that the first 1000 days is a critical period of development that provides a distinct and timely opportunity to have a lasting impact on individual social, emotional and physical wellbeing.<sup>13</sup>

Access to adequate Paid Parental Leave or Income Support payments are essential in supporting parents and their newborns in the first year of life. Ideally all parents should have access to paid parental leave or income support and most OECD countries provide more generous paid parental leave arrangements in their first year than Australia does. The average across the OECD is currently 50.8 total weeks, compared to only 18 in Australia. The comparison is even more stark when you consider Australia's full-rate equivalent is only 7.7 weeks compared to an average of more than 33 weeks full-rate equivalent across the OECD.<sup>14</sup>

ECEC services can also play a central supporting role in the first year through to the preschool years by connecting families into the community and acting as part of the 'village' it takes to raise a child. This is particularly important where families may be dislocated from other supports (e.g., grandparents, friends and family). ECEC services can also act as a soft or universal entry point to a wider network of supports when children and families need these (see next section) and enable workforce participation.

We asked our families in South Australia which services or support were the most valuable in the first three years and the overwhelming majority agreed that ECEC was one of the most valuable services (see Graph 4 below).



#### Graph 4. Families rate ECEC services as the most valuable in the first three years

When parents of babies are ready to return to work, they are understandably highly sensitive to quality when considering leaving their babies and toddlers for the first time in the care of others. This is especially the case for mothers who are usually the primary carers. Quality matters and it is the supply of quality

<sup>13</sup> ELACCA.

<sup>14</sup> https://www.oecd.org/els/soc/PF2 1 Parental leave systems.pdf

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places at an affordable price that are two key drivers for decision making when parents are looking to return to work after having a baby.

Operating costs for providing high quality care and learning for children under three are roughly double that of three- to five-year-olds, due to the necessarily higher staff-child ratios for babies and toddlers and the fixed CCS hourly fee cap for all children regardless of age. This is partly why new, for-profit providers often focus their offerings on children aged three and above.<sup>15</sup> This means there continues to be fewer places for children aged two and under, with longer waitlists in some markets. Across the Goodstart network in South Australia, we currently have vacancies for most age groups, but waitlists in many centres including for babies. There are around 650 children aged 0-2 on waitlists in South Australia compared to only 170 for children aged 3-5.

While national reform processes are underway, the South Australian Government can take steps to improve affordability for families in the short term. Options may include 'top-up' subsidies paid to LDCs and based on a child's CCS entitlement or block grants to LDC services, potentially linked to quality ratings. The goal of these subsidies would be to improve quality and reduce out-of-pocket expenses to a degree which removes the disincentives produced by the current system and increases the market supply of places, particularly for children aged birth to two years.

Low-income families should be prioritised and at a minimum, the new subsidies could 'top-up' CCS for families in the bottom quintile to cover 100% of costs, and 90-95% for families in the second bottom quintile for at least three days a week. Eligibility for these subsidies could be determined according to whether a family holds a Health Care Card (roughly the bottom quintile); receives a Family Tax Benefit payment (roughly the second bottom quintile); or belongs to another target cohort.

#### The following recommendations relate to the Terms of Reference

**Recommendation 8.** That the South Australian Government advocates nationally for a consistent entitlement to more paid parental leave that is shared between partners.

**Recommendation 9.** That the South Australian Government work with National Cabinet in the implementation of the National Vision for ECEC to ensure that all children have an entitlement to access up to 3 days of ECEC from six weeks to school age, with up to 2 additional days available for families who need more to support workforce participation or for children likely to experience vulnerability or disadvantage.

**Recommendation 10.** That as an interim measure, the South Australian Government improve affordability of three free or near free days of early learning and care for low- and middle-income families through either supply side or demand side grants to existing high quality ECEC providers – recognising the unique barriers to access for very young children.

Mothers from low-income families are more likely to increase their workforce participation with free or near free ECEC, and children from low-income families benefit most from early learning.

<sup>15</sup> Productivity Commission, 2014

## ECEC services can play a significant role in redressing disadvantage by acting as a 'backbone' for the early childhood development system

Removing barriers for children and families facing disadvantage should be a clear objective for all levels of Government.

We support the Royal Commissions finding that the ECEC sector is playing significant and under-recognised role in the early years which may provide a 'backbone' for universal infrastructure for early childhood development. We also strongly support the interim recommendation for the rigorous trialling and evaluation of different kinds of allied health support in ECEC services.

Increasingly, ECEC services are being recognised as a potential universal entry point, or 'backbone service' for the early childhood development system, with a majority of children attending a CCS funded ECEC service by age 2.5. ECEC is used more by children and families than any other early childhood development service, and utilisation is expected to increase when the Prime Minister's commitment to a universal, affordable system reduces cost barriers for children and families.

This provides the opportunity to better connect health and community support services to ECEC where children and families already attend. While the exact mix of services should be tailored to the local context, all children attending ECEC services would benefit from onsite access to:

- developmental screening,
- hearing screening,
- dental screening,
- allied health services,
- nutrition and food programs (such as South Australia's highly successful Start Right Eat Right initiative)

At Goodstart we directly deliver these services at many of our centres. We employ teams of allied health professionals, facilitate and host visiting professionals and also refer families to other local child development services. To support the inclusion of all children, not-for profit providers like Goodstart make evidence-informed investments at the child level, the service level, and the enterprise level to deliver on our social purpose, which are not funded by government. At a macro level, these investments include:

- professional development to build the capability of our team members, so they can effectively include children and families likely to be vulnerable (\$19 million in 2022),
- developing, and implementing programs that facilitate enrolment, access and participation by children and families (\$9.6 million in 2022), and
- investing to meet funding 'gaps' where government programs do not fully meet the costs of inclusion (\$5.6 million in 2022, or 12% of targeted social purpose investment).

#### The following recommendation relates to interim report recommendations 2, 11 and 12

**Recommendation 11.** The South Australian Government should incentivise growth in high quality inclusive CBDC providers through a targeted capital and program grants program to expand or enhance services serving high proportions of children and families likely to be vulnerable (e.g., similar to School Readiness Program in Victoria but for from birth-five).

### **3. QUALITY**

Goodstart provides the following insights in relation to quality and broadly supported the directions outlined in the interim report.

#### Quality needs to be assessed on an even playing field

As outlined in our earlier submission, it is important that all services are rated within a three-year cycle, and many services in South Australia are yet to be assessed updated NQS. It is important that these services are prioritised for assessment and rating.<sup>16</sup>

The way that assessments and ratings are carried out in South Australia should also be benchmarked against other states and territories with support from ACECQA to ensure a consistent and fair quality standard. This may require a significant increase in investment in the South Australian Education Standards Board and should be factored into implementation costs.

We also strongly support recommendations in the Interim Report for the State Government to:

- Ensure that sufficient resources are available to the Education Standards Board to ensure every early childhood education and care provider is assessed and rated at least every three years (Rec 13)
- have a targeted focus on improving the NQS ratings of non-government services currently providing State Government funded preschool programs who are 'working towards', including working with the regulator (the Education Standards Board) to ensure that action is taken for consistent non-achievement. (Rec 14)
- commission research to better understand the relationship between workforce consistency and quality over time, with a view to identifying further policy levers for inclusion in future quality improvement agendas. (Rec 15)

In implementing these recommendations, we also strongly endorse calls from ELACCA targeted communications to families on the outcome of rating and assessment for the service(s) their child attends. This will both significantly improve understanding of the quality rating system in the community and help to address any perceptions of differences in quality between settings.

The following recommendations relate to interim report recommendations 13, 14 and 15

**Recommendation 12.** Quality must be assessed on an even playing field with ratings and assessments benchmarked against other states and territories.

**Recommendation 13.** Services assessed as working towards should be assessed every 12 months, with support and supervision programs in place to assist the service to meet the National Quality Standard.

**Recommendation 14.** Families should receive advice from the ESB about the outcome of assessment and rating for the service that their child attends.

<sup>&</sup>lt;sup>16</sup> See Goodstart's initial submission pp18-22, <u>https://www.goodstart.org.au/getmedia/c9658048-fe32-4678-af3b-0d6cc4d0e097/Goodstart-Submission-SA-Royal-Commission-3YO-Preschool-February-2023.pdf</u>

### **4. PARTICIPATION**

#### Current barriers for families in accessing early education and care support in the first 1000 days

Moving towards a universal ECEC system is fundamentally about removing the barriers to access, whether they be cost, places, bureaucratic rules and processes, transport, disadvantage or cultural, and enhanced support for inclusion.

This would involve addressing barriers to access including:

- **Cost**: universal eligibility to adequate payments and/or subsidies to ensure ECEC is affordable as cost is cited in research as the single most important barrier to access. Financial assistance to support access to a minimum entitlement of ECEC should be offered to all children, regardless of their parents' workforce participation activity. Some families will need more assistance to overcome cost barriers.
- Location: ensuring the supply and viability of high-quality services in all communities through funding and planning approaches, including consideration of provision to children in very remote locations
- Transport: children and families also need to be able to get to a service to access it.
- Parental concerns and perceptions (cultural, trust and/or lack of awareness of benefits of ECEC): a better trained and supported workforce should be able to better relate to families facing vulnerability with trust issues or cultural issues with placing children in care.

Goodstart has recently completed detailed analysis and commentary on these barriers and overcoming them for the Productivity Commission Inquiry into ECEC, which is available here: <a href="https://www.pc.gov.au/inquiries/current/childhood/submissions#initial">https://www.pc.gov.au/inquiries/current/childhood/submissions#initial</a>

### **5. OUT OF SCHOOL HOURS CARE**

Please note the below is repeated from Goodstart's previous submission:

## *Outside School Hours Care for children aged 3-5 years needs to meet the NQF staffing AND qualifications requirements for the age group*

The Commission needs to carefully consider the nature of OSHC services being added onto preschools. OSHC provision for preschool aged children should not be exempt from the staffing ratio and qualification requirements of the NQF for birth-5-year-olds.

In a long day care setting, key educators are also available for children across the entire day, with some starting early and some finishing late. An extended day of learning (i.e., extended preschool) with continuity of educator relationships deliberately rostered is one of the great advantages of a long day care setting. But this is unlikely to be replicated when the OSHC component is offered by another set of educators. This model also diminishes the opportunities for parents to connect regularly with teachers and educators.

The Commission should aim for 'best practice' in OSHC in preschool:

- There should be no relaxation of NQF ratio or qualifications requirements for preschools where extended hours (i.e., OSHC) is offered.
- The extended hours care should be an extension of the preschool program for the centre, offered in the same familiar place in a seamless transition with a strong emphasis on maintaining educator child relationships.
- The preschool and OSHC learning programs should be fully integrated to ensure that children continue to benefit from quality play-based learning.

The following recommendation relates to the Inquiries Terms of Reference

**RECOMMENDATION 15** – Outside school hours care for children in preschools on school sites should, as far as possible, be offered as an extension of the preschool program in place, with educator-child ratios and relationships maintained as much as possible to support children's transitions

### 6. WORKFORCE

Please note that the below should be read in conjunction with the Workforce section and recommendations 6 -10 in Goodstart's initial submission available here: <u>https://www.goodstart.org.au/getmedia/c9658048-fe32-4678-af3b-0d6cc4d0e097/Goodstart-Submission-SA-Royal-Commission-3YO-Preschool-February-2023.pdf</u>

Goodstart supports broad direction of interim report but note the following:

Investing in the teacher workforce in LDC is one of the highest value interventions to improve sector workforce supply and is necessary to underpin the goals of the commission and government for first 1000 days and 3-year-old preschool.

Specifically, the final report should recommend:

- Identifying a named role within the SA Government, with special powers to report directly to the Minister to resolve issues in relation to teacher registration and recognition of birth to five degrees and other degrees recognised by ACECQA for resolution within 12 months.
- Working with universities to develop intensive courses for Diploma qualified educators in South Australia.
- Funding approaches that provide adequate investment to achieve pay and condition parity for teachers working in LDC noting this is likely to require service level funding (in addition to per capita funding) for the next few years recognising LDCs do not currently receive any funding for children attend multiple settings (as per section 1 above).
- That the South Australian Government offer scholarships of up to \$25,000 to support students to complete early childhood teaching qualifications, and also offer a program of mentoring and networking support for student and graduate teachers.
- A comprehensive ten-year workforce strategy should be developed as part of a stewardship approach that tracks and monitors all dimensions of the workforce pipeline to help direct investment across the ECEC system.

#### The following recommendation relates to Interim Report recommendation 5

**Recommendation 16**. That the Final report recommends a named role within the South Australian Government, with special powers to report directly to the Minister to resolve issues in relation to teacher registration and recognition of birth to five degrees and other degrees recognised by ACECQA for resolution within 12 months.

### 7. OTHER AREAS OF INQUIRY

You may wish to consider other areas of relevance to the Royal Commission in your submission, including:

## What are the benefits of increasing workforce participation through improved access to flexible care arrangements outside of school and preschool hours?

Working families do require care arrangements before and after school and LDC and FDC settings can provide that, LDC with a qualified ECT and structured preschool program. Typically, programs run from 6am to 6pm (or 6.30 to 6.30). Some families for work reasons may require care outside of these hours. These family are typically very small in number – two parent families rarely have both families on shift work at the same time. Single parent families may be engaged in shift work. Goodstart ran a 'flexible hours' trial in SA during the Gillard Government years and there was little demand for extended hours.

Governments would need to carefully do a proper demand assessment of the need for flexible arrangements, and then consider whether a supported (i.e., higher subsidized) family day care mode; or inhome care model, or, in limited locations, extended hours for centre-based care may be required. Demand for such services is likely to be limited and probably not commercially viable. But for those families, it is likely to be critical.

#### What are the challenges to quality ECEC provision in regional, rural and remote parts of South Australia?

Centre based day care is not viable in small country towns because child numbers are often too small and too variable from year to year. Initial capital funding and ongoing recurrent funding would be needed to support such services. In some cases, other options (such as family day care or provision of long day care on school sites) may be more appropriate. Such services may also need ongoing support to maintain both quality and viability.

Even in larger regional towns centre-based care can struggle to find sufficient staff locally. Migration has sometimes been used to plug holes. But regional migration programs cover only limited categories of employees and can carry very complex visa conditions.

Goodstart would like to see the South Australian Government advocating for an Industry Migration Plan that makes it easier to bring migrants into educator roles in regional towns.

Traineeships in regional centres can also be challenging as trainees may miss out on opportunities to attend their training colleges in person and connect with both instructors and other students. Additional support for regional traineeships would assist.

Centres in regional areas in all states and territories struggle to attract and retain teachers. South Australia should mirror the new teacher incentive scheme offered in Queensland for teachers in outer regional and remote centres and extend to cover both 3- and 4-year-old preschool programs.

### What opportunities are there to innovate, redesign and codesign ECEC service models with communities to improve opportunities for families and children experiencing disadvantage?

Place based solutions are happening all over Australia. Centres such as those developed by the Colman Foundation at Doveton College in Victoria, Goodstart and the Brotherhood of St Laurence at the Jindi

Centre at Whittlesea, and at the Early Years Centres managed by the Benevolent Society in Queensland are just some examples.

#### How should the Royal Commission conceptualise costs and benefits in relation to its recommendations?

While the costs of investing in preschool are well known, developing the benefits is more challenging, but not impossible. Goodstart would draw the Commission's attention to the cost benefit studies such as:

- The Institute of Fiscal Studies work on the long-term benefits of preschool up to age 18 in England (EPPSE project);<sup>17</sup>
- The work of the Washington State Institute of Public Policy in developing cost benefit ratios for state ECE projects in that state; <sup>18</sup>
- The cost benefit analysis of the introduction of 3-year-old preschool in Spain.<sup>19</sup>
- Paper by US economists Steven Barnett & Debra Ackermann<sup>20</sup> on technical issues on developing cost benefit analyses in ECEC;
- PWC research on the economic benefits of preschool programs in Australia.<sup>21</sup>
- The work of the Early Intervention Foundation of the opportunity costs of not investing in early childhood intervention.<sup>22</sup>

<sup>18</sup> Washington State Institute of Public Policy (2019) State early childhood education programs: universal evaluation <u>https://www.wsipp.wa.gov/BenefitCost/Program/975</u>; State early childhood education programs: low income evaluation <u>https://www.wsipp.wa.gov/BenefitCost/Program/270</u>

<sup>20</sup> Barnett W.S & Ackerman D. (2006) Costs, Benefits, and Long-Term Effects of Early Care and Education Programs: Recommendations and Cautions for Community Developers, Journal of the Community Development vol 37:2 DOI:<u>10.1080/15575330609490209</u>;

<sup>&</sup>lt;sup>17</sup> Cattan, S., Crawford, C., and Dearden. L. (2014) The Economic Effects of Pre-school Education and Quality. Institute for Fiscal Studies. IFS Report R99 <u>http://www.ifs.org.uk/uploads/publications/comms/R99.pdf</u>

<sup>&</sup>lt;sup>19</sup> Van Huizen T, Dumhs L, Plantenga J (2016) A cost benefit analysis of Universal Preschool Education, European Commission <u>https://ecec-care.org/fileadmin/careproject/Publications/reports/CARE D5 4 Report CBA FINAL.pdf</u>

<sup>&</sup>lt;sup>21</sup> PWC (2019) A Smart Investment for a Smarter Australia: Economic analysis of universal early childhood education in the year before school in Australia, The Front Project

<sup>&</sup>lt;sup>22</sup> William Teager, Stacey Fox and Neil Stafford (2019) How Australia can invest early and return more: A new look at the \$15b cost and opportunity. Early Intervention Foundation, The Front Project, Australia.