



# Affordable, accessible early childhood education and care

Response to Draft Recommendations

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# Introduction

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## About Community Early Learning Australia

Community Early Learning Australia™ (CELA) is the voice for Australia’s early education and care sector. As a peak body, our vision is for all of Australia’s children to have access to quality early education, regardless of economic circumstance or where they live.

CELA supports over 1,800 members employing more than 27,000 educators and teachers nationally. Our members include community-managed not-for-profit, government, and privately owned small providers, delivering preschool, long day care, outside school hours care, and family day care services.

Our Mission is to:

- ▶ Deliver effective and expert support for our members, enabling them to deliver quality early education and care for all Australia’s children.
- ▶ Influence policy makers and government by amplifying the voices of community based and small providers.
- ▶ Promote the value and importance of community-based early education.

## Summary

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CELA welcomes and supports the priority recommendations outlined in the October interim report. We agree that the time is now for state and federal governments to work together to reset the early education and care sector, to make sure it is fit for the future and works to fully support children and families. Our current sector is based on outdated distinctions between ‘care’ and ‘education’. This has resulted in a system that is complex, difficult to navigate and unaffordable for many. Cooperation between state and federal governments to reset the policy objectives of the sector, with Children’s access and development as the primary objective, will see the full benefits of ECEC realised.

The October interim report highlights that addressing the workforce crisis is the key to unlocking the potential of the sector. Right now, thousands of Australia children and families are missing out on quality early education and care because services are struggling to find qualified staff. Low pay, poor conditions and high turnover are driving critical workforce shortages in early education and care. Fixing wages in the early education and care sector means:

- early education and care will be seen as a career of choice, with proper recognition of skills and responsibilities,

- employers can attract and keep qualified staff, ensuring families can access the services they need; and
- early education services can grow to meet the needs of their communities.

Ensuring access to high quality early education means children can reach their full potential, families can make choices about work, and our economy can grow. We can start to unlock that full potential by starting with paying educators and teachers what they are worth.

Broadly, we agree with the draft findings as outlined in the Interim Report. In this submission, we respond to a selection of the draft recommendations which we consider to be important or helpful for the Government in planning its next steps.

## Contact

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Michele Carnegie

CEO

Community Early Learning Australia

Mobile: 0427 753 418

Email: [michele.carnegie@cela.org.au](mailto:michele.carnegie@cela.org.au)

## Response to draft recommendations

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### Overview

CELA welcomes the opportunity to respond to the draft recommendations provided by IPART in its interim report “Affordable, Accessible Early Childhood Education and Care”.

We note that though the scope of this enquiry is focused on the role and responsibilities of the NSW Government, this is occurring concurrently to several Federal Government inquiries including the National Early Years Strategy, the ACCC Childcare Inquiry and the Productivity Commission inquiry into Early Childhood Education and Care. These extensive and concurrent reviews present an opportunity for state and federal governments to consider how shared funding models can be reset to better reflect modern understanding of the vital role and benefits of early childhood education and care.

We reiterate that these concurrent reviews represent an opportunity to reimagine an ECEC system, that recognises all learning starts from birth, and which truly holds the needs of Australia’s children at its heart and as its fundamental starting point.

To this end, we strongly support the priority recommendation:

- 1. Australian state, territory and Commonwealth governments should work together to develop an integrated funding approach to early childhood education and care. Governments should clarify the**

**objectives of the funding approach, including that all governments are committed to early childhood services as enabling both inclusive early learning for children and workforce participation for parents.**

- a. The funding approach should prioritise improving affordability and accessibility for families with lower incomes, families living in regional or remote Australia, Aboriginal and Torres Strait Islander families, and families with multiple vulnerabilities.**
- b. The activity test for receipt of Child Care Subsidy should be reviewed as a priority.**

Implementing these recommendations, by way of an integrated funding model which ensures all families can access early childhood education and care, no matter where they live or how much they earn, will lead to better outcomes, particularly for those children who are currently falling behind and not catching up. The evidence is clear that under the current policy settings, vulnerable children who most benefit from high quality early education and care are the least likely to access it. The system, in its current form, exacerbates, rather than ameliorates inequality in educational and life outcomes. It is time for a bold reimagining of the early childhood sector.

The second draft priority recommendation is:

- 2. The NSW Government should develop an early childhood education and care workforce strategy that focuses both on ensuring enough educators are available to provide the services that are needed, and that educators are enabled to deliver those services at high quality.**

CELA strongly supports the intention behind the recommendation around workforce, particularly that the strategy should draw from and complement the national workforce strategy as outlined in *Shaping our Future*.

However, we stress that addressing current unprecedented workforce shortages by addressing low pay and conditions for early educators and teachers is an urgent priority. Currently there are tens of thousands of early learning places which are unavailable to families because of staff shortages.<sup>1</sup> This capacity can only be released by urgently addressing the professional wages gap between early childhood and other government funded essential services such as aged care, disability care and school teaching.

Multi-employer bargaining, now available to the sector under the Secure Jobs, Better Pay legislation, provides a clear opportunity for the sector and government to work together to address wages without increasing costs to families. CELA, along with other ECEC employer representatives and early education unions are currently engaged in multi-employer negotiations for a new agreement to apply in the long day care setting. This process, under the Supported Bargaining Stream, includes the participation of the federal government in recognition of its role as primary funder of the sector. If successful, this will create a model which can extend any funded wages outcome across the long day care sector.

Government funded multi-employer bargaining processes have proven to successfully address workforce attraction and retention in Victorian state government funded services. The Victorian Early Childhood Teachers and Educators Agreement<sup>2</sup> has been successfully negotiated between early childhood unions, employers and the state government since 1998. This agreement has worked successfully to support the Victorian Government's ambitious early childhood policy agenda including extending four-year-old

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<sup>1</sup> <https://childcarealliance.org.au/latestnews/workforce-crisis>

<sup>2</sup> <https://www.fwc.gov.au/document-search/view/3/aHR0cHM6Ly9zYXN5Y2RhdGFwcmRhdWVhYS5ibG9iLmNvcmlud2luZG93cy5uZXQvZW50ZXJwcmVudHMvMjAyMS82L2FINTExOTQ3LnBkZg2?sid=&q=Victorian%24%24early%24%24childhood>

kindergarten and implementing universal 3-year-old kindergarten. The most recent agreement achieved pay parity between Victorian early childhood teachers and those in the school system<sup>3</sup>.

As a result of this tripartite approach to addressing wages and conditions in the sector, Victoria has the lowest rate of staff waivers across the country, with 2.1% of services operating with a staffing waiver compared to a national average of 10<sup>4</sup>%.

CELA therefore proposes that this recommendation is strengthened to include the following:

***“IPART should recommend the NSW government should consider the opportunity provided under new industrial relations legislation, including the multi-employer bargaining under the supported bargaining stream, to work with the sector to deliver funded increases to educator and teacher pay in state funded services; and***

***The NSW government should support and encourage the Australian Government to fund an increase in educator and teacher pay as part of the multi-employer bargaining process for the long day care sector, currently underway.”***

The third draft priority recommendation is:

- 3. The NSW Government should develop a digital service and data strategy for the early childhood education and care sector, so families can more easily find, choose and use services that meet their needs, and providers and governments can make better informed decisions.***

CELA applauds actions which can make it easier for families to navigate the early childhood education and care market to choose a suitable service for their children. We note that the Commonwealth Government publishes *Starting Blocks*, which enables families to search for long day care, outside school hours care, preschool, family day care and in-home care. The platform enables families to view information about fees and vacancies.

Rather than developing a new state-based platform, we recommend improving and promoting *Starting Blocks* more effectively, perhaps using Services NSW as a launching pad for first-time parents to navigate early childhood education and care.

Many of the limitations around *Starting Blocks* from a user-experience perspective for families derive from information in *Starting Blocks* not being up-to-date or not useful – this can, in the case of fees and vacancy information, be due to providers not updating their information correctly. It can also be because quality rating information is old. There are some services in NSW whose latest assessment and quality rating was issued in 2017 or 2018.<sup>5</sup>

In addition, it may be due to how data is shared between the State and Commonwealth Governments around preschools. For example, long day care services can provide vacancy and fee information and this is displayed in *Starting Blocks*. For preschools, parents are told to contact the service directly. This is unnecessarily

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<sup>3</sup> <https://www.theage.com.au/politics/victoria/best-paid-victorian-kinder-teachers-to-earn-more-than-school-teachers-20201126-p56i9e.html>

<sup>4</sup> <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>

<sup>5</sup> ACECQA Snapshot Data Q2 2023. There are 6 services whose last rating was 2017, and over 500 services whose last rating was 2018.

cumbersome and makes it difficult for parents to make an informed choice between preschool and long day care services.

Finally, we note that while technology is an important tool for parents to navigate the early childhood education and care system, part of what makes it difficult for parents are the policy settings themselves. The Child Care Subsidy is complex for families to understand and acts as an unhelpful barrier for parents (usually mothers) when making the decision about when, and to what extent, they wish transition back into paid work. Pile on top of that the Affordable Preschool funding for preschool programs which only occur on certain days of the week, and overall, it makes for a complex interplay of information for families to interpret.

This unnecessary complexity is why CELA, alongside many other peaks, is advocating for universal access to early childhood education and care, from whenever a family decides they need it.

## Recommendations around accessibility and choice

### Availability and choice

**4. The NSW Department of Education, when establishing new preschools or evaluating the service offered at existing Department-run preschools, should identify the hours of care required by the surrounding community. Where families need longer hours of care, the Department should design the preschool service so that it meets these needs.**

We support the idea that new preschools should have their hours structured to meet the needs of local families.

For existing preschools, some preschools have shifted from sessional programs of 2-5 hours into longer sessions which are more in keeping with business hours and the needs of parents to participate in paid work. Preschools and the families they support are in different points along the way in this change, and it is important to note that many preschools are designed for shorter hours, rather than long days. They may not have, for example, enough spaces for children who need rest in the middle of the day, to be able to do so. Extending hours in these preschools will require capital and resource funding support to make necessary adjustments, and in some cases, there simply may not be the space available to achieve this.

In many instances, the shorter hours of sessional programs still suit many families and, importantly, many children.

In addition to funding to enable modifications to existing preschools, flexible funding mechanisms are needed. This to enable families who only want shorter hours as funded through Affordable Preschool to access this, and those families in a community who want a longer day, are able to affordably access it. We note that while options for 'before and after preschool care' may be considered to implement this, this solution reflects the current unnecessary division between state and federal funded services. Better coordination between state and federal governments to deliver long day care services with high quality integrated preschool programs, with family's access via streamlined and simple funding arrangements is the best long-term solution to this issue.

**5. The NSW Government should work with local governments to identify and address any planning-related barriers to the approved operating hours of early childhood services, in consultation with their communities.**

While we certainly see no harm in investigating if there are planning-related barriers to the approved operating hours of early childhood services, we suggest that the recent decrease in services offering out of usual operating hours is often a viability issue. For example, some early childhood education and care services

co-located with hospitals are approved to be open until 11:30pm at night to accommodate shift workers. However, in one of our recent projects, CELA found many services are no longer offering this due to both relatively low demand for these hours; and inability to find qualified educators willing to work evening hours for the wages providers can afford to offer.

This is one of the reasons why CELA is advocating for an increase in wages for the early childhood education and care workforce. A government-funded wage increase is a necessary precursor to being able to sustainably offer early childhood education and care in hours outside of traditional business hours.

**7. The NSW Government, when negotiating the next preschool funding agreement (from 2026), should advocate for Commonwealth funding to support longer attendance for children in areas where there are no other available services, or no other suitable services. This would:**

- support parents and carers who want to participate in the workforce
- increase access for children who would benefit from longer attendance.

CELA supports this recommendation but notes that this should be part of developing a more integrated funding approach for early childhood education and care including capital funding for long day care options.

In our submission to the Productivity Commission Inquiry into Early Childhood Education and Care, we recommended that ECEC funding should work towards delivering a universal entitlement to 30 hours per week of free early childhood education and care from birth to school age across all service types, provided through block funding.

This should be achieved by State and Federal Governments coordinating the delivery of universal access arrangements in such a way that it limits funding complexity supports families to access the Early Childhood Education and Care that suits their particular needs.

In addition, we recommend that a future universal entitlement includes up to full time (50) hours per week of free ECEC for vulnerable children and families.

**8. As part of its digital service and data strategy, the NSW Government should develop a tool to make available any capacity that is not being used by children with permanent bookings for occasional and casual bookings.**

Given that long day care services already use commercially developed platforms to manage enrolments, bookings, attendance, communication with families and data flow to Commonwealth Government systems, we suggest that this recommendation be changed to:

***“The Government should specify technology requirements for third-party software providers to enable parents to make casual and occasional bookings at all service types, including long day care, preschools and family day care.”***

We note that *Starting Blocks*, the Australian Government website for early childhood education and care provides vacancy information by age group and whether permanent or casual for CCS funded services.

There are other barriers around making occasional care available to families which need to be addressed via other mechanisms. For example, where education and care services are under-utilised, such as due to low and fluctuating populations, services should be able to offer subsidised sessional occasional care programs, informed by demand from their local communities, which can be adjusted year to year. Availability of occasional care options in long day care services is currently also reduced as a result of ongoing workforce shortages.



In some rural communities of South Australia which CELA has worked with, preschools offer subsidised, very low-cost occasional care sessions to children not otherwise attending preschool, long day care or family day care. This option enables families to have some respite from caring obligations and facilitates smooth transitions into preschool, as the program is delivered at the same location, and often by the same educators, as the occasional care program.

Finally, we note that a determining factor in a child's experience of quality education and care is their connection with their educators and teachers. This is absolutely reliant on the ability of children and educators to form long-term consistent relationships. This is intended as a note of caution – it is not appropriate for children to be able to be taken to a new education and care service at a moment's notice due to lack of access at their regular education and care service, even if a service down the road has a one-off vacancy on a particular day. A better solution is for education and care services to have the flexibility and workforce capacity to respond to their community's ever-changing needs – from offering occasional care, to preschool, to long day care and more. This can be achieved via an integrated funding system which includes block funding, particularly for small providers serving rural, remote or vulnerable communities.

## Inclusion

**10. The NSW Government should ensure the Disability and Inclusion Program is designed to support inclusive education and care for children with disability/additional needs in NSW community preschools, reflecting the findings and recommendations of the recent evaluation of this program. This should include increasing the hourly rates for payments to services with eligible children, to reflect both:**

- the direct costs of eligible activities (including, but not limited to, engaging suitably qualified additional staff), and
- the additional costs associated with coordination, administration, planning and support time that is necessary to provide inclusive education and care.

**To complement the Minor Capital Works component of the NSW Disability and Inclusion Program, the NSW Government should also consider exploring opportunities to work with the Commonwealth Inclusion Support Program to expand the availability of the Specialist Equipment Library under the Commonwealth program to community preschools in NSW**

CELA supports this recommendation. We would like to add that there is some evidence from the AIFS Evaluation of the Child Care Subsidy that some providers are unaware of their inclusion obligations under the Disability Discrimination Act and for this reason turn children away. Also, inclusion of children with additional and complex needs can be very challenging – hence increasing the funding available for minor capital works and the coordination, administration, planning and support time to recognise this is urgently needed.

CELA also notes that current support for inclusion support agencies is inadequate, especially for those operating in larger states such as NSW. We recommend that funding for inclusion support services should be on a needs-based model to ensure services are able to access the training and support needed to deliver high quality inclusion support for children and families.

**13. and 14. The NSW Government should ensure provision of culturally safe and inclusive education and care**

CELA supports these recommendations. Development of resources to reach First Nations' and culturally diverse families should be undertaken in partnership with community organisations who understand their

particular communities' needs. These organisations should be paid appropriately for both providing input and sharing the resources via their channels.

The NSW government early childhood workforce strategy should consider measures to specifically support the attraction and retention of culturally and linguistically diverse and Aboriginal and Torres Strait Islander staff. This should also include recognition of these staff where they are directly involved in supporting the service to deliver culturally safe and inclusive programming.

**15. The NSW Government should work with the early childhood sector and early intervention professionals to develop and implement a model and system for wrap-around support for children and families experiencing disadvantage and vulnerability.**

CELA strongly supports integration of allied health, playgroups and other programs to provide wrap-around support for children and families. The first five years of life are a time of enormous developmental change and growth. The early childhood sector is often the first and most regular contact families have with the formal childhood development sector. This regular contact and observation of children and families can support early identification of developmental delays or issues and support access to intervention which can have lifelong benefits.

Some of our members have been able to establish partnerships with allied health professionals, or sourced philanthropic funding to support them, and these partnerships have been beneficial for children and families at these services. However, children should not have to rely on philanthropy to have their developmental needs met. One option is to model the Victorian Government's School Readiness Menu, which provides a suite of evidence-based programs for education and care services to access, depending on their needs. This includes access to pre-purchased allied health services, bulk purchased by the Department, covering a range of geographical areas across Victoria. Extending this model to include children of all age groups as well as the provision of family support and education services will significantly improve outcomes.

We know that disadvantage and vulnerability can be concentrated in certain communities, hence it is sensible to invest in wrap-around supports in communities where they are most needed. The Australian Early Development Census provides good data to indicate which communities should be prioritised. However, developmental vulnerability can affect children from any background, hence striving to adopt an approach of 'proportionate universalism'<sup>6</sup> should be the preferred option.

CELA welcomes the introduction of free health checks in preschools in NSW, currently being trialled. Should this prove successful, we hope it can be rolled out to all approved early childhood education and care services.

## Information for families

**16. As part of the Government's digital strategy, the NSW Department of Education should work with other NSW Government agencies, including the Department of Customer Service, to develop a comprehensive**

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<sup>6</sup> Proportionate universalism is the resourcing and delivering of universal services at a scale and intensity proportionate to the degree of need. Services are therefore universally available, not only for the most disadvantaged, and are able to respond to the level of presenting need. Its origins are in health policy but it has relevance for educational and social policy.

**strategy to ensure all families receive information about early childhood education and care during pregnancy and the first 5 years of a child's life.**

CELA supports this recommendation, noting that it should take a user-centred approach to the design and presentation of information. As mentioned elsewhere in this submission, the early childhood education and care system is complex for families to navigate, and yet the first five years of a child's life are critically important. Families need accessible and clear pathways to find information about normal development, what to do to support their child's healthy learning and development, where to seek help, and information about services available to support families. These supports include playgroups, early childhood education and care and the importance of regular developmental checks.

**18. The NSW Government should advocate for enhancement of the National Quality Standard to highlight areas of expertise and excellence in inclusion within service quality ratings, to help families identify inclusive services and to provide incentives for services to provide inclusive education and care.**

CELA supports this, and indeed the opportunity within Starting Blocks for services to highlight particular areas of specialisation or service strength. We note that alongside the opportunity for services to highlight inclusion as a service strength will need to be appropriate levels of funding for additional staff, additional professional learning and minor capital works.

**19. The NSW Government should advocate for services to be required to report the outcomes of assessment and ratings processes to enrolled families. This would improve the visibility and understanding of service quality ratings and the accountability of service providers.**

Under regulation 173(1)d of the Education and Care Services Regulations, education and care services are required to display the outcomes of assessment and ratings to families. Extending this requirement to ensure that these ratings are communicated and explained will enhance families understanding of the system.

As noted elsewhere in our submission, part of the issue is that assessment and ratings are not updated at a frequency to be useful for families when determining whether the current service their child is accessing is of a suitable quality, nor the quality of alternative services. As a starting point, assessment and ratings visits could be made to be more frequent (though ensuring they are not administratively burdensome, and that appropriate training for services to understand the A&R process is needed).

It may be more useful to also explore options for services to self-report on matters which impact quality, such as annual staff turnover, educator satisfaction with their workplace, and family satisfaction with aspects of the service.

Once a decision to utilise early childhood education and care is made by families, quality has been found to be one of the top considerations when choosing between services. Families' determination of quality does not so much derive from the quality ratings, but instead is based on a complex assessment of factors such as presentation of the service, staff turnover, curriculum, inclusions and word of mouth.

## **Recommendations around affordability**

**23. The NSW Government should recommend to the Commonwealth Government that it:**

**– examine the circumstances and needs of families with children using early childhood services and household income of under \$20,800**

**– consider providing additional support to these families to access early childhood services, in particular those experiencing disadvantage and/or vulnerability, children in out-of-home care, and asylum seeker status families.**

Research around the benefits of early childhood education and care show that high-quality provision benefits vulnerable and disadvantaged children the most; yet they are the least likely to be able to access it.

Many of our members strive to support vulnerable children through Additional Child Care Subsidy and this has been administratively difficult and in some instances, costly to the service when it has tried to walk the tight-rope between holding a place open for a vulnerable child and meeting the rules of the Additional Child Care Subsidy policy.

CELA strongly supports this recommendation. All children should have a right to early childhood education and care, it should not depend on a family's capacity to pay, particularly families in acutely vulnerable circumstances. For this reason, we also suggest that priority recommendation 1(c) be strengthened to immediately abolish the activity test as a first step towards achieving a universal education and care sector.

### **Funding arrangements and provider costs**

**26. The NSW Government should recommend to the Commonwealth Government that the CCS application process for families be made less complex and easier to navigate.**

CELA strongly supports this recommendation.

As stated above, CELA supports improved coordination between the state and federal governments to simplify the funding arrangements for early childhood and deliver universal access for all children.

One international example, which has been used as the basis for achieving this in Canada is Quebec's model of \$10 per day Childcare, premised on universal entitlement.

The Quebec Government provides a website, LaPlace, where parents can search geographically and filter by a range of criteria for early education and care services which meet their needs. One of the advantages of the experience of looking for an education and care service is that information about fees on the website is simple, at around \$8.85 per day.

This model has now been adopted as federal policy and is being implemented through federal government coordination to other Canadian Provinces.

For families accessing the Child Care Subsidy here in Australia, the process is far more complex. Current funding models are based on outdated distinctions between 'care' and education'. However, recent decades have shown the significant value of investing in quality education and care from birth to five for improved child outcomes and reduced poverty and social inequality. To meet the objective of a universal, affordable E&C sector we must reset the policy objectives to put children and their needs at the heart of the system. Recognising that by first meeting the needs of children, the benefits to families and the economy will flow.

**27. The NSW Government should recommend to the Commonwealth Government that the CCS activity test requirement and eligibility criteria be reviewed to promote equal access to subsidised services for all children.**

CELA strongly supports this recommendation, to ensure that all children, particularly vulnerable children, are able to easily access high-quality early childhood education and care, including through the scrapping of the ineffective Activity Test.

## Recommendations around factors driving supply of services

### Different providers respond to different incentives

**29. The NSW Government, as part of its digital strategy, should advocate to the Commonwealth Government to make enrolment and attendance data of the CCS publicly available to inform the planning and decision-making of service providers and governments.**

CELA supports the sharing of data across levels of government and with service providers to enable a more planned approach to service delivery. IPART's analysis found that while advantaged areas had plenty of choice, dominated by private for-profit providers. The lack of CCS funded childcare places in less advantaged areas remains a problem of 'thin markets' where demand is lower, more variable, and less profitable due to fluctuations in population and family's capacity to pay. There is a role for Government to address these thin markets, to ensure that all children can access early childhood education and care in a form that meets their needs, and families are able to make choices about participating in paid work. The current market-driven model, in this way, exacerbates inequality as those in less advantaged areas are less likely to have access to early childhood education and care which enables participation in paid work.

### Workforce availability

**30. The NSW Government should immediately (within 12 months) update its 2018-2022 NSW Early Childhood Education Workforce Strategy to support state-based initiatives and complement the National Workforce Strategy. The update should include, but not be limited to:**

- Options to fund services to provide time “off the floor” for reflection, planning, coordination and professional development
- Specific actions aimed at the attraction and retention of identified groups, including Aboriginal and Torres Strait Islander educators, rural and regional educators, educators from CALD background, and educators working with children with disability/additional needs
- Mentoring initiatives, at both the state and local level, to support students and educators. This should include mentoring/professional support networks for identified groups of educators that are designed in collaboration with the sector and relevant peak organisations.
- Comprehensive support for Aboriginal and Torres Strait Islander students/educators who need to leave country to study, and rural/remote students and educators for training. This should include measures to support digital access and practicum opportunities.
- Reframing the narrative around early childhood education and care from ‘childcare’ to early education to enhance understanding of the value of the work being undertaken.
- Investment in local workforce recruitment, qualifications, and retention.
- Financial support for trainee placements

The recommendations are sound but urgent intervention is needed to ensure ECEC is seen as a profession of choice and paid accordingly. To ensure that every child can access high quality education and care, government funding is needed to ensure a minimum capacity to pay professional pay rates commensurate with the skills, responsibilities and value of the work.

CELA has recognised this urgency through our participation as employer bargaining representatives in the current multi-employer bargaining process for the long day care sector. This process includes a specific priority to deliver quality professional development as an outcome of any agreement. We are available to provide further information on this process and the impact on the sector if it is of assistance to IPART as part of this inquiry.

CELA reiterates that the multi-employer bargaining process has been proven in other state jurisdictions as a mechanism for governments to directly implement measures to address workforce attraction, retention and quality, including those mentioned above.

### **The NSW Government recognise the value of a diverse workforce, including Aboriginal and Torres Strait Islander culture and language.**

As stated above CELA recommends that NSW government workforce strategies specifically consider measures to attract and retain Aboriginal and Torres Strait Islander educators and teachers as well as formally recognise their contribution to culturally inclusive programming.

CELA also strongly supports the position of the peak bodies for Aboriginal community-controlled services that supply side funding is necessary for them to provide long term certainty for services and that funding must include:

- Access to capital grants for new services
- Support for workforce supply and retention
- Support for delivery of expanded holistic child and family services.

## **Recommendations around costs and revenue in providing services**

### **Revenue from fees and government funding**

#### **37. The NSW Government should, pending a national review of the funding system for early childhood education and care, in the short term, review all NSW funding programs and grants for the early childhood education and care sector.**

A review of the funding system to reduce duplication and administrative burden is very welcome, and particularly if it includes periods of funding which enable services to plan over a longer timeframe with greater certainty for service leadership to invest in its workforce. We caution against any sudden changes to funding arrangements and note the importance of providing advance notice about future funding so that services can plan service provision accordingly.

We note the details under recommendation 37 are interim measures pending a national review of the funding system for early childhood education and care. We support these, but also reiterate the opportunity for long-term funding reform for the sector. In particular, in relation to establishing universal access to early education and care for all children.

With the objective of achieving this aim, CELA has recommended in our submission to the Productivity Commission Inquiry into Early Childhood Education and Care in relation to future funding:

#### ***1. That Australia's ECEC policy is reset with children's access to high quality education and care as the primary objective.***

***2. That ECEC funding should work towards delivering a universal entitlement to 30 hours per week of free early childhood education and care from birth to school age across all service types, provided through block funding.***

***3. That a future universal entitlement includes up to full time (50) hours per week of free ECEC for vulnerable children and families.***

***4. That State and Federal Governments coordinate the delivery of universal access arrangements to limit funding complexity and to support families to access the Early Childhood Education and Care that suits their needs.***

***5. That the existing Child Care Subsidy (CCS) scheme, with appropriate fee controls, continues to support workforce participation of families for hours beyond 30 hours, from birth to 12 years of age.***

***6. That the Activity Test is abolished for all hours of ECEC.***

**For further information please see the attached documents:**

1. CELA Productivity Commission Submission - Early Childhood Education and Care: Fit for the Future
2. CELA and CCC joint submission – ACCC September interim report