



National Care & Support Economy Strategy

Prepared for: Department of Prime
Minister and Cabinet

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About us

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.

Introduction

As a peak body for community managed and small providers in the ECEC sector CELA appreciates the opportunity to provide feedback on the Care and Support Sector Draft National Strategy.

We recognise the importance of a cross-sector approach to achieving the objective of the National Strategy to “deliver high quality essential services to some of Australia’s most vulnerable people”¹.

Broadly, we support the three high-level goals included in the draft national strategy to deliver a sustainable and productive care and support economy that delivers quality care and support, with decent jobs. These high-level goals reflect the value of the care and support sector to the community as well as ensuring its viability into the future through the development of a stable and supported workforce.

We understand that the National Strategy is a high-level document encompassing the focus care and support sectors of aged care, veterans care, disability support and early education and care. Also, that the process to deliver the objectives under these goals will be set out in detailed action plans, which will be developed at a later date.

While the focus care and support sectors of aged care, veterans care, disability support and early education and care, share some similarities, especially in relation to current and future workforce needs, CELA believes it is crucial that the National Strategy also reflects their uniqueness.

¹ National Care and Support Sector Strategy terms of reference

For the goals outlined in the National Strategy to be effectively realised, it is important to take into account the unique characteristics of each sector, including education and care, as it may not be appropriate to apply universal approaches to diverse segments of the care and support sector.

Below we identify the ways in which the education and care (ECEC) sector varies in nature to the other focus sectors, to assist with the further development of appropriate action and implementation plans resulting from this National Strategy.

ECEC is a broad and diverse sector, delivering care, education, early intervention, and recreation across multiple service types from birth and across school age. The sector also delivers a double dividend of both improved child health and development, and enabling greater national workforce participation. ECEC is an investment in our current and future prosperity as a nation.

Early Childhood Education and Care Sector

Contribution to productivity and economic growth

We agree with the assertion in the draft national strategy that the care and support sector has been inaccurately viewed and valued by policy makers in the past. That due to the history of the work originating as unpaid work within private households, it has been traditionally undervalued and seen as a cost instead of an investment in the social capacity and wellbeing of our country.

This is particularly so in the case of the ECEC sector. Research consistently shows that investment in the delivery of quality early childhood education provides significant returns on that investment, through improved workplace participation, increased tax revenue and improved future social and workforce capacity.

For every dollar invested now, Australia receives \$2 back over a child's life² - a return reflecting increased lifetime earnings and savings to government, as the result of reduced social disadvantage and inequality.

Research also consistently shows that the greater the level of investment and quality of ECEC, the greater the economic returns. The Australia Institute estimates that if Australia were to increase its investment in ECEC to the level of OECD average would lead to an ultimate increase in total GDP of \$7.7 billion³. Through higher workforce participation and increased tax revenue, government revenue would increase at all levels by \$2.2 billion⁴.

² The Front Project, PWC: A smart investment for a smarter Australia: economic analysis of universal early childhood education in the year before school. June 2019 <https://www.thefrontproject.org.au/economic-analysis>

³ Grudnoff, M: The Economic Benefits of High Quality Universal Early Child Education, The Australia Institute March 2022 [https://futurework.org.au/wp-content/uploads/sites/2/2022/11/Economic Aspects of ECEC in Australia FINAL.pdf](https://futurework.org.au/wp-content/uploads/sites/2/2022/11/Economic_Aspects_of_ECEC_in_Australia_FINAL.pdf)

⁴ Ibid

The Center for Policy Development estimates that providing three days of free universal early education and care for every child and family who want it, could result in a yearly return on investment of \$15 billion once the impacts were fully realised⁵.

The productivity and economic gains which come from investment in ECEC are substantial and outweigh its budgetary costs. ECEC is a sector that more than pays for itself in benefits to the community both now and in the future.

Dual role of education and care

ECEC is also unique in that it performs a dual function, providing both early education and care both of which are inextricably linked. In all ECEC settings, the provision of care cannot be separated from learning and education.

At early ages, children are learning critical social and emotional skills and every interaction is a learning opportunity. For example, calming a crying child is a moment to support self-regulation and the identification of emotions. Mealtimes are an opportunity to reinforce healthy eating, the way the body works, turn taking and sharing. Pack-up develops listening skills and teamwork. Mat time develops muscles that prepare children for group learning at school.

Children cannot learn without their physical and emotional needs being met, and the function of meeting those needs also provides learning opportunities. Skilled and qualified educators at all levels understand this and integrate it into their daily practice.

The ECEC sector is plagued by persistent confusion and inconsistency regarding policy objectives. While recognised in the terms of reference of the Productivity Commission Inquiry as “an essential part of Australia’s education system”⁶, ECEC is also defined in this strategy as part of ‘the care and support sector.’

Federal government investment in ECEC has historically been through the welfare system as a workforce participation measure, while state governments have funded some, but not all aged groups in recognition of the educational outcomes.

Outdated distinctions between ‘care’ and ‘education’ and the ages at which these happen, must be resolved in order to ensure that the goals of this strategy align with the future vision for the early childhood sector.

Nature of the workforce

Meeting the future workforce needs of the care and support sector is an urgent and critical issue. While it is true that variations in pay and working conditions can create conflict in demand between care and support sectors, it is not true that the skills and qualifications are interchangeable.

The ECEC workforce is highly skilled and specialised. It is a requirement of the national quality framework that at least 50% of all staff in an early childhood service hold at least diploma qualification or higher. Certificate III qualifications are the minimum requirement for entry into the sector.

⁵ CDP: *Starting Better: A guarantee for young children and families*, Nov 2021 <https://cpd.org.au/wp-content/uploads/2021/11/CPD-Starting-Better-Report.pdf>

⁶ <https://www.pc.gov.au/inquiries/current/childhood/terms-of-reference>

While there are some general workforce skills that are commonly required across all segments of the care and support sector, the nature of the different needs of people and age groups receiving care and support, mean that commonality is limited. Even standard skills such as first aid, vary in an ECEC setting compared to an aged care setting because of the physical differences of the people receiving care.

Any strategy to meet future care and support workforce needs in Australia through standardising qualifications, or developing cross-sector micro credentials, would run the risk of effectively de-skilling the workforce and undermining the quality of care and support provided. On the contrary, micro credentials could be utilised as an opportunity to support better career paths within care and support sectors, allowing for greater specialisation to meet the individual needs of people in care, and better supporting the policy goal of 'person-focused care'.

Improving future productivity

Improving productivity in the care and support sector is needed, however must be handled carefully to ensure the quality of outcomes is not reduced.

The ECEC sector has operated under an established national regulatory framework since 2012. It is robust and well supported by the sector. Opportunities to deliver future productivity gains in the ECEC sector through the review of these regulations are likely to be limited as the framework has already been reviewed twice since its inception.

Advances in technology to allow for the reduction of time spent on administrative tasks, do represent a real opportunity to improve productivity in the ECEC sector. Support from the government to identify and promote the uptake of these opportunities would help the sector maximise resulting benefits.

However, it is important to note that utilising technology to reduce workload can also come with risks. The vulnerable nature of the people accessing care and support services must be recognised. For example, in ECEC a simple solution to free-up staff may be to remove the requirement for an educator to be physically present in a room where children are sleeping. In such a scenario, monitoring could occur outside of the room by video monitor. While this seems reasonable and straight forward, unfortunately, child deaths have occurred due to SIDS under these exact scenarios⁷.

It is also important to recognise that the ECEC sector itself is a driver of current and future productivity which will help to cover the ongoing costs of providing a quality care and support sector. ECEC is a facilitator for increased workforce participation now, as well as greater educational achievements, higher income levels and reduced disadvantage in the future. The greatest way to deliver improved productivity in the ECEC sector, is to continue to invest in it.

Conclusion

CELA is supportive of the high-level goals and objectives set out in the Draft National Strategy. However, we stress that a universal approach to achieving all objectives may not be appropriate. By working with the sector and recognising the unique nature of the diverse focus sectors, as well as their similarities, we believe these

⁷ <https://www.abc.net.au/news/2020-10-28/child-death-at-sydney-childcare-centre-report-sheds-light/12822628>

measures will achieve the vision of a high-quality sustainable care and support sector underpinned by decent jobs. We welcome the opportunity to support the process of developing the action plans further.

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