



CELA budget submission

Community Early Learning Australia is the peak body for Australia's early middle childhood sector, and represents nearly two thousand not for profit and small community providers.

Our vision is for all Australia's children to have access to quality, affordable early education. We believe all children deserve quality early education and care, and that this underpins Australia's future. We exist to amplify the value of early learning throughout Australia.

Around half of early childhood education and care centres are not for profit – with small providers making up around 80 percent of all registered providers¹. Community and small services deliver high quality early childhood education, most often in low socio-economic communities and in rural and regional areas. They are crucial to the life outcomes of the children in their education and care, but their viability is more fragile than larger services and organisations that can cross subsidise their operations. The early years sector is in a precarious position and must be supported in a sustainable manner to ensure it can deliver quality outcomes for children, families, and the economy.

Our budget submission is aimed at ensuring community and small education and care services can continue to provide their vital service during and beyond the COVID-19 outbreak – including to directly employ hundreds and thousands of staff, to enable millions of parents to attend work and to ensure millions of children are nurtured and educated in their most pivotal foundation years.

Investing in quality

Early childhood education and care must be of high quality, for children to reap the enormous educational benefits it can deliver. Quality early childhood education is made up of a range of factors, underpinned in the National Quality Framework. Services in low socio-economic areas and services in rural and regional areas can struggle to meet the quality ratings of exceeding and excellent. The effects of this are shown in the Australian Early Development Census – children from low socio-economic areas are more than double as likely to start school developmentally vulnerable compared to children from high socio economic areas².

¹ <https://www.acecqa.gov.au/nqf/snapshots>

² <https://www.aedc.gov.au/resources/detail/2018-aedc-national-report>

This early disadvantage contributes to disparities in educational and life outcomes, and results in significant costs to government that could be reduced through early intervention³. For example, nearly half of the children who start school developmentally vulnerable fail to complete Year 12 or transition⁴.

Government investment is needed to ensure quality improvement across the early childhood education sector. Services should be supported and incentivised to meet higher quality ratings, with additional supports provided to improve quality and support school readiness especially for disadvantaged cohorts of learners. The quality improvement system should require services rated 'working towards' to improve their outcomes over a designated period of time.

Supporting a quality workforce

The early childhood education and care rests upon the quality of the workforce. We know the early childhood education and care workforce feels stressed and undervalued – the removal of JobKeeper was seen as a loss in status for many educators, whilst many early childhood education centres have remained open as essential services even when schools have closed. The COVID-19 crisis also highlighted the lack of understanding of the make up of the workforce, for example the number of casual workers or temporary residents in the sector.

The early childhood education workforce is facing a large workforce shortage – one in five educators and teachers is likely to leave in the next 12 months⁵. The lower remuneration in early childhood education compared to schools, and different conditions of employment, see many educators leave to teach in schools, or leave the profession altogether.

Many regional and rural services cannot access a trained teacher with special transitional provisions needing to apply to exempt them from these requirements. The pressure on the workforce will increase, with around 30,000 additional preschool teachers needed by 2023⁶.

³ <https://www.thefrontproject.org.au/initiatives/the-cost-of-late-intervention>

⁴ <https://www.vu.edu.au/mitchell-institute/educational-opportunity/counting-the-costs-of-lost-opportunity-in-australian-education#:~:text=Costs%20associated%20with%20lost%20opportunity,-The%20are%20enormous&text=Having%2046%2C000%20people%20aged%2024,%2419%20billion%20over%20a%20lifetime.>

⁵ https://eprints.qut.edu.au/101622/1/Brief_report_ECEC_Workforce_Development_Policy_Workshop_final.pdf

⁶ <https://theconversation.com/one-third-of-all-preschool-centres-could-be-without-a-trained-teacher-in-four-years-if-we-do-nothing-120099>

There is a clear link between access to a trained teacher or educator and children’s academic outcomes, with studies showing children in year 3 at school are almost 6 months ahead if they attended preschool led by a degree or diploma qualified teacher than if they did not attend preschool or were taught by a certificate qualified educator⁷.

Government investment is needed to establish an early childhood education workforce data framework, to enable mapping and understanding of the entire sector including demographics and qualifications. A funded, 10 year workforce strategy is needed to retain, develop and reward the existing workforce and attract new entrants, particularly for hard to staff areas such as rural and remote regions.

Addressing vulnerability

The most vulnerable children have the most to gain from early childhood education, but are less likely to attend, and to attend lower quality early childhood education and care. The Child Care Subsidy System, including the complexities in gaining short term fee waivers under the Temporary Financial Hardship provision, make it difficult for children whose families are in financial crisis to access early childhood education and care.

Child vulnerability has increased during COVID-19, with published reports of up to half of all children becoming vulnerable and as yet unknown effects of the impacts of isolation and anxiety on children over the longer term⁸. CELA members have reported to us increases in child vulnerability. Nearly all services have had a fall in attendance due to COVID 19, with children in their year before school preschool program missing on average six weeks of early learning. Services report “social, emotional and cognitive skills in many of the children at our service are significantly lower than children at this time last year. Some children are still developing their core and fine motor skills and have not yet demonstrated sitting, pencil grip and manipulative skills that are typically observed at this time of year.”⁹ Educators also raise concerns that children with special needs or pre-existing vulnerabilities have fallen further behind.

7

<https://www.education.vic.gov.au/Documents/about/research/preschoolparticipationandqualisummarypaper2013.pdf>

⁸ <https://www.cela.org.au/2020/06/01/families-and-vulnerability-report/>

⁹ <https://www.cela.org.au/wp-content/uploads/1995/07/Broadside-year-before-school-0720.pdf>



During periods of closure of early childhood education, many CELA services engaged remotely with families – however some families were not able to be contacted, and children have fallen out of the system. Additionally, there were not requirements on services to engage in remote learning.

Early childhood education is vital for addressing childhood vulnerability and providing a stable, secure environment for children, and vital supports for families.

Government investment in early childhood education is vital to address childhood vulnerability. The Child Care Subsidy should be increased to 95% for low income families to reduce the financial burden to enrolment in early childhood education. During the current COVID-19 period, early childhood education centres should be enabled to grant Temporary Financial Hardship to families to enable continuity of care for children.

There is a likelihood of communities cycling through periods of COVID-19 related closure. The Government should ensure that funded early childhood education and care services are mandated to provide remote learning to children not attending, including outreach to families, as a condition of funding to ensure children remain connected to early childhood education.

Supporting a viable sector

Community and small providers are the centrepiece of local communities. Most providers in the early childhood education sector are small providers. The capacity of small providers to withstand economic shocks is much lower than large providers. Many CELA members cited large financial viability concerns during free childcare, and now have very limited reserves to buffer them from further financial shocks¹⁰. Members are fearful that a period of closure, or the need to engage in a COVID-19 related clean, could further impact their viability and potentially see closures. This would likely see educators leave the sector.

Given many members are the sole provider in their community, this would have significant community impacts.

The ‘one size fits most’ approach to financial sustainability that has been applied to the early childhood sector through measures such as transition payments does not always meet the unique circumstances of small and not for profit providers. These providers can operate in thin markets and on lower occupancy numbers, especially in regional and rural areas, and can

¹⁰ <https://www.cela.org.au/wp-content/uploads/2020/05/CELA-Broadside-ECEC-viability.pdf>



COMMUNITY EARLY
LEARNING AUSTRALIA

quickly lose viability if children in a community withdraw from early childhood education. These services, if they close, are unlikely to be replaced meaning children and families will lose a vital service to support both education and employment outcomes.

Access to special circumstances payments is crucial for small services and not for profit providers on an exceptional as needs basis, for example in the instance that a service must close for a short period due to COVID-19.

Supporting rural and remote early learning

All children deserve access to quality early childhood education, but the challenge is greater in rural and remote areas. Too many rural and regional children suffer from vulnerability and disadvantage. Supporting service delivery, and attracting and developing a workforce, in small communities must be a priority. Quality early childhood education is a vital part of the solution to solving the education and life outcomes gap between city and country¹¹.

Supporting rural and remote early learning requires a targeted, funded strategy that acknowledges the additional costs of service delivery in small services and rural and regional communities that do not have economies of scale, and trials and evaluates innovative professional learning and workforce development models.

Targeted government investment is needed to support rural and remote early childhood education services to meet the additional delivery costs, including to support workforce attraction, retention, and development. Consideration should be given to trialling and evaluating models of workforce development.



Office and Postal Address
Addison Road Community Centre, Building 21,
142 Addison Road, Marrickville NSW 2204
Phone (02) 8922 6444
Email michelecarnegie@cela.org.au
Web www.cela.org.au