



**The Smith
Family**

Learn today, change tomorrow.

**Submission to the
Productivity Commission's Inquiry into
Early Childhood Education and Care**

May 2023

Contact

Anne Hampshire
Head of Research and Advocacy
The Smith Family
Ph: 0417 297 364
Email: Anne.Hampshire@thesmithfamily.com.au
GPO Box 10500
SYDNEY NSW 2001

INTRODUCTION

The Smith Family is a national charity working in over 90 low SES communities across every state and territory. We have been supporting children and families experiencing disadvantage for over 100 years. Our vision is a world where every child has the opportunity to change their future. Our belief is that education is one of the most powerful change agents and our purpose is to overcome educational inequality caused by poverty.

Our work focuses on Australian children in families and communities where we know it's harder for them to fully participate in their education without some help. Our approach is an early intervention one, providing support to children and families who are likely to struggle without additional support. This includes children and families living in financial disadvantage, Aboriginal and Torres Strait Islander children and families, and those living in communities experiencing disadvantage.

Our work is informed by the ecological model of child development and the multiple influences on children's development, including their family, peers, educational institutions and the community in which they live. Our work draws on research and our practice experience to acknowledge that children's developmental trajectories are not set in stone and immutably influenced by their individual and family circumstances. Our experience is that with the right support at the right time all children and families can thrive. We have a particular focus on strengthening the home learning environment and work in partnership with families, educational institutions, community organisations and professionals, corporates, philanthropy and the wider service system across Australia.

Our work in early childhood focuses in particular on supporting early childhood professionals working with families to support their children's early learning in the home through our *Let's Read* and *Let's Count* programs. The Smith Family is also the facilitating partner for nine Communities for Children Facilitating Partner (CfC FP) sites across Australia, funded through the Commonwealth Department of Social Services. As a CfC FP we sub-contract a wide range of community agencies to deliver early intervention and prevention support to families and children in these communities. We also operate two Child and Parent Centres in Western Australia, funded through the WA Department of Education. These Centres aim to give children the best possible start to life through providing access to a range of family-friendly supports and services, including playgroups, parent workshops and child health services. They also play a key role in supporting positive transitions to school for children and families.

In FY22 around 64,000 children under five participated in our programs, as did 27,500 parents/carers and around 4,700 community professionals, including early years educators.

In 2019, The Smith Family was commissioned by the (then) Commonwealth Department of Education, Skills and Employment to undertake research with families experiencing disadvantage to understand the barriers to participation in early childhood education and care, with a particular focus on preschool participation. That report and associated appendices have informed our submission to this inquiry. The full report, published in 2021 is available on The Smith Family's website <https://www.thesmithfamily.com.au/-/media/files/research/reports/small-steps-big-future-report.pdf>

INQUIRY INTO EARLY CHILDHOOD EDUCATION AND CARE

The Smith Family welcomes the inquiry into the early childhood education and care sector by the Productivity Commission, given the clear link between the early years and children’s longer term life outcomes across a range of domains.

While we note that the focus of the inquiry relates to the first five years of a child’s life given this critical time of development, we note the importance of ensuring linkages between early childhood education and care and longer-term education policy.

This link is particularly important for children and young people experiencing disadvantage as the work of Professor James Heckman shows. Table 1 shows that investment distributed over the first two decades of a child’s life, produces more positive outcomes than investment focused on one part of a young person’s life, for example the early years or adolescence. For children experiencing disadvantage, a sustained and early intervention approach is also the most cost effective approach to achieving positive outcomes. This emphasises the importance of efforts in the early years being complemented by strategies for children and young people beyond the age of five.

Table 1: Impact of different investment strategies with disadvantaged children and young people

	High school graduation rates (%)	University enrolment (%)	Use of welfare (%)	Criminal conviction (%)
No intervention (Baseline)	41	4	18	23
Early childhood intervention only	66	13	9	17
Adolescent intervention only	64	12	10	18
Balanced intervention across full life cycle of a child	91	38	3	11

Source: Cunha & Heckman 2007 p. 44

IMPACT OF SOCIOECONOMIC BACKGROUND ON OUTCOMES FOR CHILDREN

The Australian Early Development Census (AEDC) provides a national indicator on children in their first year of school across five developmental domains¹, offering insights on the cumulative impact of a range of factors on a child’s development, including access to preschool learning.

As shown in Table 2, a significant proportion (21.7 percent) of all Australian children are vulnerable in one or more of the AEDC domains. Higher proportions of Aboriginal and Torres Strait Islander children (41.3 percent) and those living in Australia’s most disadvantaged communities (32.3 percent) are developmentally vulnerable in their first year of school.

Table 2: Proportion of children vulnerable on 1 or more domains on the AEDC, 2021

	Least disadvantaged	Aboriginal and Torres Strait Islander children	Children living in Australia’s most disadvantaged communities (Quintile 1)
Percentage vulnerable in 1 or more of the 5 AEDC domains	14.9	42.3	33.2
Percentage vulnerable in 2 or more of the 5 AEDC domains	6.7	28.5	19.1

Source: Australian Government, 2021

Children living in the most socio-economically disadvantaged communities are twice as likely to be vulnerable on one or more AEDC domains and three times more likely to be vulnerable on two or more domains, compared to children living in communities with high levels of socio-economic advantage. In 2021, likely reflecting the impact of COVID-19 closures and lockdowns, there was increased developmental vulnerability on one or more and two or more domains for children across the socio-economic spectrum, but more so for children living in our most socio-economically disadvantaged areas, reversing previous progress. This was most evident in the language and cognitive skills (school-based) and physical health and wellbeing domains. For Aboriginal and Torres Strait Islander children, 2021 saw a reversal of the trend of improvements across all domains with the exception of social competence.²

Children’s ability at school entry has been shown to influence their academic trajectories through school (Brinkman et al, 2013). The AEDC domains have been shown to predict children’s later literacy and numeracy outcomes as measured by NAPLAN in Years 3, 5 and 7 (Australian Government, 2015). Children who were vulnerable in one or more of the domains at age five, were more likely to be in the bottom 20 percent of all students’ scores on NAPLAN assessments in Years 3, 5 and 7, than children who were not vulnerable on any AEDC domain. Longitudinal analysis shows that a child’s development when they enter school has a strong and persistent relationship to how well they continue through primary school (AIHW, 2015). This reinforces the longer term importance of children’s level of development as they start school.

¹ The domains are: physical health and wellbeing; social competence; emotional maturity; language and cognitive skills; and communication skills and general knowledge.

² <https://www.aedc.gov.au/resources/detail/2021-aedc-national-report>

QUALITY OF CARE MATTERS

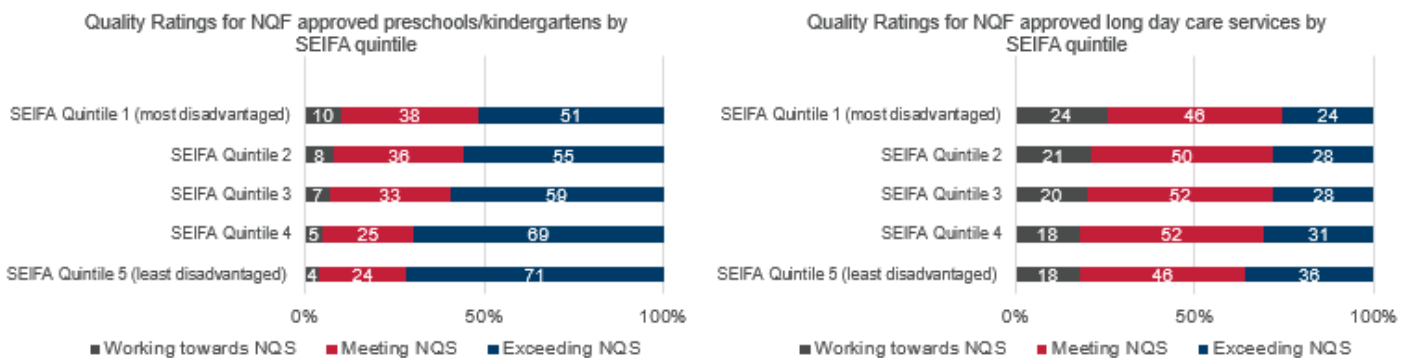
A summary of key research with regards to positive preschool experiences, particularly for children living in circumstances of socioeconomic disadvantage, explores issues of quality, dosage, span of dosage and session duration.

O’Connell et al (2016) note that there is broad consensus on what constitutes quality in early education and summarise this as:

- **Process elements** shaping the dynamics of daily occurrences in early learning and care settings, such as children’s interaction with caregivers and other children, learning opportunities and activities and health and safety measures; and
- **Structural factors** that facilitate these interactions and learning activities, such as child to adult ratios, the size of each group of children and the formal education and training of caregivers.

As discussed previously in this submission, evidence shows that participation in a **quality** preschool program offers a **protective** factor against vulnerabilities for children in disadvantaged locations, however as demonstrated in Figures 1 and 2 below, there is an inverse relationship between ECE service quality and locational disadvantage.

Figures 1 and 2³



The concept of dosage is a relatively recent addition to the vernacular on early childhood education, having only emerged as a consistent part of research/practice design post-1990s (Claessens & Garrett 2014). Current research has identified dosage to be important, with fifteen hours per week emerging as the generally accepted baseline for a minimum dosage of preschool participation in Australia (see for example O’Connell et al 2016). In contrast, AIHW (2015) notes there is a dearth of literature on the optimal number of hours of attendance at a preschool program and that it is not clear that 15 hours per week is optimal from a child development perspective.

There is some evidence that full days may be more beneficial than part days for preschool children, however, this is highly dependent on quality service delivery. Poor quality or ‘sub-par delivery’ means that the gains that might be made by greater exposure are negated. Greater dosage of poor quality early childhood education and care is likely to produce detrimental

³ These graphs were developed by ACECQA for the *Small Steps Big Futures* report using ACECQA data to reporting period end June 2019 mapped to ABS SEIFA ratings

Productivity Commission Inquiry into ECEC

outcomes, and both US and Australian research suggests that young children living in circumstances of social and economic disadvantage are particularly vulnerable to the negative impacts of poor quality preschool (Vandell et al, 2010).

BARRIERS TO PARTICIPATION

A range of research suggests there are a number of structural and contextual factors that influence decisions of families who experience disadvantage to participate in early education services, including preschool. O'Connell et al (2016) summarise these as:

- Parents' preferences and beliefs about child development and the value of early education
- Access and availability, including cost, operating hours, location and lack of private and public transport
- Services not meeting need
- Poor coordination between services
- Limited access to specialist supports for children with additional needs
- Lack of publicity about services
- Complex paperwork and enrolment processes
- Lack of trust in services and fear of judgemental attitudes and behaviours.

SNAICC (2019) adds that barriers to participation for Aboriginal and Torres Strait Islander families also include:

- Lack of Aboriginal leadership and involvement in service delivery
- Cultural barriers such as lack of service cultural competence
- Social and neighbourhood characteristics like past experience and community level distress.

As noted above, in 2019, The Smith Family undertook research into barriers to pre-school (in particular) participation for families who experience disadvantage. This project identified a range of specific barriers faced by families which can prevent enrolment and regular use of Early Childhood Education and Care. There are also a number of broader systemic issues that, if addressed could improve access for disadvantaged cohorts.

Accessing the system is complex and for families experiencing vulnerability, this complexity inhibits engagement with early learning.

Our research found that families experience difficulty navigating the ECE system. The interaction between the Commonwealth and State and Territory systems and the range of different options available is confusing. Enrolment and subsidy application processes assume a level of agency, literacy and mobility which some families struggle to navigate without support. Families often do not understand their out-of-pocket expenses for ECE which impacts their ability to make an informed choice.

Data and evaluation are inconsistent across jurisdictions.

There is currently no nationally agreed data set on preschool participation, so it is not possible to identify precisely who is missing out. This limits efforts by governments, philanthropic organisations and ECE providers to target approaches to greatest need. Billions of dollars are invested in ECE nationally, yet no evaluation system is in place to guide this investment. A nationally agreed evaluation framework would support systemic responses to ECE investment and allow for more targeted needs-based funding.

Productivity Commission Inquiry into ECEC

Educators need more resources to support them to engage with vulnerable families

Educators told us that they know how important relationships are, but they struggle to find the time and, in some cases, the right training, to build positive relationships with vulnerable families and to respond to the needs of children. This has particular significance for Aboriginal and Torres Strait Islander children, who continue to experience poorer AEDC outcomes despite data indicating improved enrolment rates in ECE services including preschool. Our research found, consistent with SNAICC recommendations, that if culture is embedded into the practice of the preschool, engagement is stronger, leading to increased participation. The challenge is to enable more practitioners to consider cultural safety through authentic engagement with local Aboriginal and Torres Strait Islander communities.

Conclusion

The Smith Family warmly welcomes the Productivity Commission's Inquiry into Early Childhood Education and Care. It is clear that the potential of many children growing up in disadvantaged families and communities is not being nurtured through the current system, but when access to quality early childhood services is available, this situation can be addressed.

Current barriers to participation require consideration of how to improve consistency of access and approach across jurisdictions and enhancing connections between government sectors such as health and education as well as incentivising collaboration across early childhood education and family service systems to create a more seamless, family centred system. Involvement of local communities in developing solutions to the barriers they face in access has the potential to provide a more accessible system, with the needs of children and their families, rather than bureaucracies at the centre of policy.

Productivity Commission Inquiry into ECEC

References

- AIHW (Australian Institute of Health and Welfare) (2015) *Literature review of the impact of early childhood education and care on learning and development: Working paper. Cat. no. CWS 53.* Canberra: AIHW.
- Australian Government (2015) *Australian Early Development Census - A snapshot of early childhood development in Australia*
- 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 Indicators Research*, 6(4), 695-708.
- Claessens A & Garrett R (2014) 'The role of early childhood settings for 4–5 year old children in early academic skills and later achievement in Australia' *Early Childhood Research Quarterly*, 29(4), 550-61.
- Cunha F & Heckman J (2007) 'The technology of skill formation', *American Economic Review*, American Economic Association, Vol. 97, No. 2, pp. 31-47
- O'Connell M, Fox S, Hinz B & Cole H (2016) *Quality early education for all: Fostering, entrepreneurial resilient and capable leaders: Mitchell Institute policy paper No. 01/2016.* Melbourne: Mitchell Institute.
- O'Connor M, Gray S, Tarasuik J, O'Connor E, Kvalsvig A, Incedon E & Goldfeld S (2016) 'Preschool attendance trends in Australia: evidence from two sequential population cohorts' *Early Childhood Research Quarterly*, 35(2), 31-9
- SNAICC (Secretariat of National Aboriginal and Islander Child Care) (2019) *Ensuring Quality for Aboriginal and Torres Strait Islander Children in the Early Years.* North Fitzroy: SNAICC.
- Vandell D, Belsky J, Burchinal M, Vandergrift N & Steinberg L (2010) 'Do effects of early child care extend to age 15 years? Results from the NICHD Study of Early Child Care and Youth Development' *Child Development* 81(3), 737-56.
- The Smith Family (2021) *Small Steps Big Futures: Community insights into pre-school participation* available at <https://www.thesmithfamily.com.au/-/media/files/research/reports/small-steps-big-future-report.pdf>