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# Submission to the Draft National Care and Support Economy Strategy 2023

SUBMITTED BY THE  
CONSORTIUM CONSISTING OF:



## ACKNOWLEDGEMENT

We acknowledge and pay our respects to Aboriginal and Torres Strait Islander peoples, including Elders past, present and emerging. We celebrate their contribution and connection to the lands, seas and communities in which we work. We are committed to understanding and engaging with Aboriginal and Torres Strait Islander history, living culture and traditions, and to contributing to Australia's reconciliation journey.

# EXECUTIVE SUMMARY AND RECOMMENDATIONS

The national approach proposed for addressing the challenges within the care and support economy highlights the need for careful consideration across sectors. The Early Childhood Education and Care (ECEC) sector has successfully aligned itself with the education sector, prioritising educational and developmental outcomes for children. This alignment has also resulted in some lifting of the professional status of ECEC, however, there remain many challenges including access, affordability, workforce availability, cultural safety, and user-friendly systems. Similar to other sectors, ECEC requires an appropriate work environment for educators, including fair compensation, well-defined roles, professional development, safe workplaces, and strong leadership.

Furthermore, the future of ECEC must be sustainable, including adequate government funding, supportive regulations, innovative practices, and data-driven decision-making. Other sectors within the care and support economy can draw lessons from the progress achieved in the ECEC sector. The consortium supports comprehensive strategies that will ensure all children accessing ECEC services have access to a trained and professional workforce focused on providing high-quality educational outcomes for children and supported by a government-funded workforce strategy and professional development program, within the broader care and support system.

## RECOMMENDATIONS

- Conduct a comprehensive examination of the intersections and professional alignments within the care and support economy, particularly acknowledging the alignment of the ECEC sector with education.
- Children receiving ECEC services have access to a trained and professional workforce focussed on providing high-quality educational outcomes for children and supported by a government-funded workforce strategy and professional development program.
- Implementation of Secretariat of National Aboriginal and Islander Child Care (SNAICC) National Aboriginal and Torres Strait Islander Early Childhood Strategy.
- ECEC workplaces are supported to be well organised with supportive systems in place that prioritise the cultural, psychological and physical well-being of ECEC professionals.
- Transition to a universal publicly funded ECEC system away from a market model to one that provides sufficient financial support for high-quality service provision to meet the evolving needs of families and communities.
- Enhance data collection and utilisation in the care and support economy to inform decision-making, policy making, and improve service provision (including access to data and expertise for measuring child outcomes, supporting service improvement, as well as conducting further research on the productivity, economic, and social contribution of ECEC).

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# INTRODUCTION

The consortium welcomes the opportunity to respond to the Draft National Care and Support Economy Strategy 2023 (the Strategy). As a group of not-for-profit organisations dedicated to supporting children and families, we welcome a national solution to the common issues facing these sectors. We also advise some caution is taken in ensuring that the unique needs and circumstances of each sector are considered in the national solution. Our response will predominantly focus on our area of expertise, the ECEC sector.

With an ever-increasing demand for care and support services in sectors such as aged care, disability support, veterans' care, and ECEC, the care and support economy is one of the fastest-growing sectors in Australia. Despite the work that has occurred in each of these sectors and the projected increase in government spending, these sectors continue to face formidable obstacles that impede access to essential services. Investing in quality care and support infrastructure provides long-term benefits beyond the immediate recipients. It supports individuals with care needs, their families, and caregivers to actively participate in both the workforce and society.

The care and support economy also has a significant impact on women's economic equality, as women constitute the majority of workers in these sectors and often bear the burden of providing unpaid care when formal services are not accessible. Our expectation is a strategy that addresses these challenges and fosters an inclusive and sustainable care and support system for all Australians.

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## ABOUT THE CONSORTIUM

This submission in response to the Strategy is made on behalf of a consortium of nine not-for-profit organisations that provide a range of services to children and families in Western Australia. The range of support services offered by these organisations to children and their families is broad including prevention and early intervention strategies, out-of-home care, disability support and mental health programs. The consortium comprises some of the leading ECEC providers in the state who have been working together for several years to advocate for children, families and the sector.

**The following six (6) education and care providers are members of the consortium:**

- Child Australia
- MercyCare
- Ngala
- Regional Early Education and Development
- The Y WA
- Wanslea

**The remaining two (2) members of the consortium are:**

- Carewest
- Western Australian Council of Social Service (WACOSS)

Carewest operates as the Western Australian branch of the Australian Community Children's Services National peak body, representing Western Australian not-for-profit ECEC services.

WACOSS is the peak body for the community services sector, which provides support and advocacy to improve the lives of vulnerable and disadvantaged individuals and families.

Together, these organisations possess significant knowledge and experience relating to the early years and are committed to improving the lives of children and families.

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# IMPORTANCE OF HIGH-QUALITY CARE AND SUPPORT

## Access and Affordability

Universal access to high-quality ECEC services is a fundamental right of every child in Australia, regardless of their location, socioeconomic status, culture, or ability. ECEC is a critical component of an effective care and support economy, it must be accessible and affordable to all children so they can thrive.

Access and affordability have been persistent challenges within ECEC. A targeted investment approach is required, directing government and other resources towards creating programs and facilities in areas where vulnerable children and families are most prevalent. This requires a flexible model that doesn't rely on the current outdated market-driven model, to bridge the gaps in service delivery and cater to the specific needs of communities.

Currently, the availability of ECEC services is hindered by both planning and workforce-related issues. Due to the limited workforce and the need to maintain staff-to-child ratios, several services are forced to cap daily places, leading to a reduced number of available spaces. Moreover, the market-driven approach to ECEC services results in fees being determined by supply, demand, and real estate costs rather than considering the needs of families and communities. The market-driven model often leads to service gaps or the development of new services in areas with an excess of places but a shortage of staff, while disregarding the diverse needs of families and communities and ultimately resulting in inequitable access. Adopting the aged care approach to planning ECEC services could offer several benefits by considering the three key elements, determining the number of new places, targeting specific locations and vulnerable cohorts, and a competitive process for place allocation [1].

Any new model will need to address the inequities experienced by those living in rural and remote communities where there is often a market failure or an insufficient ('thin') market. Many First Nations children struggle to access ECEC services. Increasing the number of Aboriginal Community Controlled Organisations (ACCOs) delivering services is key to ensuring access to ECEC services for First Nations children and closing the gap in education, development and life outcomes. The Commonwealth government should work in partnership with SNAICC to deliver the National Aboriginal and Torres Strait Islander Early Childhood Strategy [2].

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[1] Aged Care Act 1997

[2] Secretariat of National Aboriginal and Islander Child Care, Framework to inform the development of a National Aboriginal and Torres Strait Islander Early Childhood Strategy, Viewed 26 March 2023, [https://www.snaicc.org.au/wp-content/uploads/2021/04/NATSI-EarlyChildhoodStrategy\\_Framework-April2021.pdf](https://www.snaicc.org.au/wp-content/uploads/2021/04/NATSI-EarlyChildhoodStrategy_Framework-April2021.pdf)

Furthermore, government policies and processes should be revised to ensure equitable access and affordability, it can no longer be acceptable to limit young children's access to education and care based on their parent's activity. The Activity Test is particularly challenging for parents seeking employment or in casual employment and limits access to care for single-parent families, First Nations families, non-English speaking families, and low-income families. Children's access to ECEC should not be determined by their parent's allowable hours as determined by Centrelink. Children under 5 years of age should have equal access to education as those aged over 5 years. Furthermore, delays in gaining timely access to childcare acts as a barrier to workforce participation for parents seeking work, particularly single parents.

There is limited data available across the sectors on access to ECEC for children with developmental delays or disability. Anecdotally services are refusing access to these children because they don't have the staff to support them. The [Inclusion Support Program](#) is under review, which will hopefully result in improved access and inclusion practices for children with additional needs. Further synergy is required between NDIS and ECEC to ensure these children have access to ECEC and that the workforce is appropriately skilled to support these children.

## Supply of appropriately skilled workforce

The care and support economy is facing immense challenges in securing and retaining an appropriately skilled workforce. Although the various sectors within the economy face their distinct challenges there are also many shared obstacles across the economy. It is crucial to recognise that the workforce issue extends beyond the care and support economy and in fact, all parts of the Australian economy are struggling to access an appropriately skilled workforce. The scarcity of a proficient workforce in Early Childhood Education and Care (ECEC) is having a negative impact on the developmental outcomes of children, leaving a pressing need for action.

It is crucial to recognise the importance of a skilled and valued workforce in supporting the development and wellbeing of Australia's children. The ECEC sector continues to face ongoing challenges in attracting and retaining a capable and diverse workforce. This requires improved conditions for ECEC professionals, including providing opportunities for professional development, appropriate pay and conditions, and promoting the importance of their work to the community. Since 2019 governments, service providers and other stakeholders have invested in a range of workforce supports. To address the workforce issues a comprehensive national workforce strategy is necessary, including targeted efforts to recruit both First Nations and migrant employees. The Government has already formulated the National ECEC Workforce Strategy Implementation Plan "[Shaping our Future](#)" a 10-year strategy for the ECEC workforce [3]. This strategy addresses the key workforce issues:

- Professional recognition
- Attraction and retention
- Leadership and capability
- Wellbeing
- Qualifications and career pathways
- Data and evidence

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[3] Education Services Australia, 2021, Shaping Our Future" A ten-year strategy to ensure a sustainable, high-quality children's education and care workforce 2022–2031, <https://www.acecqa.gov.au/sites/default/files/2021-10/ShapingOurFutureChildrensEducationandCareNationalWorkforceStrategy-September2021.pdf>



The ECEC workforce situation is so dire that this strategy must be fast-tracked to address the immediate needs and an additional investment of \$100 million per annum is required to support this strategy. Future plans for the workforce must focus on funding to attract, retain and upskill a qualified workforce and include accelerated pathways, traineeships, skilled migration and a national Working with Children Check (WWCC).

Ensuring high-quality standards necessitates the provision of a well-trained and skilled workforce within the ECEC sector. This begins with the development of quality educational programs that offer foundational knowledge and technical skills essential for various roles. The sector is hopeful that the Jobs and Skills Council will support the development of contemporary VET courses for ECEC that is responsive to both the employer and the student. However, it is important to recognise that this alone will not provide a comprehensive solution. Retaining an adequate number of skilled workers to mentor and supervise is crucial, considering the high turnover rate among new VET graduates. It is widely understood that classroom-based VET training is insufficient, and there is a need for extensive on-the-job training and support for new graduates. Moreover, providing further career pathways for experienced workers can contribute to their continued professional development and job satisfaction. Thus, a holistic approach that combines VET courses with on-the-job training and ongoing support is essential for addressing workforce challenges effectively [4].

Specific support measures should be implemented to enhance the recruitment and retention of a diverse workforce. While recruiting international workers has been a focus, recent changes to income thresholds for skilled migrants have created inequities, as these employees now earn more than most ECEC workers. The key areas of focus should be attracting local workers by highlighting the rewarding nature of the work, offering competitive pay and conditions, and providing career pathways. Simultaneously, improving the work environment, promoting work-life balance, and implementing supportive policies are essential to retain the existing workforce. By addressing both attraction and retention through strategic measures, a stronger and more sustainable care and support workforce can be cultivated.

## Cultural and Psychological safety

The care and support economy must ensure services are culturally and psychologically safe for both staff and clients, especially young children. Staff from diverse backgrounds should be supported to work in a culturally safe and secure environment

ECEC services must reflect the community and be culturally responsive to the needs of the children, their families and the community. There must be a particular focus on First Nations children and families and those from culturally and linguistically diverse backgrounds. These children must be able to access culturally appropriate services that meet their needs and the needs of their families and communities. First Nations children should have these services, wherever possible, delivered by ACCOs.

Furthermore, ECEC services should promote cultural responsiveness and diversity, recognising the unique needs and perspectives of all children, families and the workforce.

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[4] WA Council of Social Service, Delivering a Skilled Workforce for Western Australia, 2022, Last Accessed 21 June 2023, <https://www.wacoss.org.au/wp-content/uploads/2022/08/Developing-a-Skilled-Workforce-for-WA-Submission.pdf>

This can be achieved by involving and collaborating with diverse communities in the design and implementation of services, as well as supporting the recruitment and retention of a diverse workforce. Many educators have limited knowledge of embedding culture into practice and training in cultural responsiveness is needed. Greater support should be provided to ACCOs and CALD organisations that can deliver culturally secure training and policy advice to existing services and staff.

## Easy-to-use systems

The care and support economy operates within a network of systems, including government systems for providers and clients, as well as a diverse range of IT systems used to manage various operational aspects. Across the sectors, a common challenge is the complexity faced by clients and service providers when trying to navigate access, often through the Department of Social Services (DSS) and various interfaces like [MyGov](#) and [PRODA](#). There needs to be linkage and sharing of documentation across the various systems including Child Care Subsidy (CCS), Inclusion Development Fund Manager portal, [National Disability Insurance Scheme](#), [Centrelink](#), MyGov, and [Medicare](#). Unfortunately, none of these systems are user-friendly, leading to significant stress for both clients and service providers.

The current process for families to obtain CCS is unnecessarily cumbersome and lengthy, making it difficult for families to navigate. This process of applying through Centrelink is said to take up to 28 days, but in practice often extends to six weeks, leaving families who need care in a difficult position. This often results in families paying full fees until approval is complete (and single parents seeking work missing job offers). Lower-income families are disproportionately affected, as they often have limited bargaining power to negotiate workplace start dates.

To improve the situation, the Commonwealth Government must facilitate better coordination between the CCS program and Centrelink. Streamlining the application process would mean families could access the service they need in a more timely and efficient manner. Access to ECEC should be recognised as every child's fundamental entitlement and immediate initiation of their ECEC journey should be enabled allowing administrative protocols to be completed subsequently, while each child starts their ECEC journey with the presumption of entitlement.

ECEC has in place systems that set it apart from other sectors of the care and support economy. The [Early Years Learning Framework](#) and the [My Time Our Place](#) curriculums are interactive systems of instruction and learning with specific goals, contents, strategies, and measurements. The National Quality Framework ([NQF](#)) is the national system for regulating ECEC. These systems are well established in the sector and have recently been reviewed. However, educators are often overwhelmed with conflicting demands across the sector and need ongoing support with the implementation of these systems.

# WORKFORCE

## Pay and Conditions

We acknowledge the importance of the care and support economy to Australia's economy. The health and care sector is one of the largest employers in the country, and as the population ages the need for this workforce is likely to increase. The success of this economy relies heavily on women, yet their efforts continue to receive little recognition or reward, perpetuating the cycle of gender and economic inequality [5].

The ECEC workforce serves as a fundamental pillar of Australia's productivity, playing a crucial role in shaping a productive workforce both now and in the future. However, this vital workforce receives little recognition within the community. The work is often undervalued, seen as low-skilled, and traditionally associated with women, resulting in inadequate pay and substandard working conditions, making recruitment and retention challenging. Educators have been consulted, yet neglected by real policy reform for decades. There is a pressing need to better understand and measure the broader productivity impacts and social outcomes of quality ECEC where government moves to see funding of ECEC as an investment in the future and not an expenditure [6]. It is long overdue for the ECEC workforce to be acknowledged and appropriately remunerated for its significant contribution to Australia's productivity and the development of the future workforce.

The current award pay and conditions are not sufficient to attract and retain the required workforce. Low pay is reinforcing educators' sense of being undervalued, resulting in this work being perceived as a short-term employment fix rather than a viable long-term career choice [7]. The ECEC sector is at the centre of an escalating and unsustainable workforce crisis. Workforce turnover rates are unsustainably high, 30-48% of educators leave the sector each year [8], with an average tenure of 3.6 years [9], and 71% plan to leave the sector in the next three years [10]. Recruitment is in chaos and every time an educator leaves the impact is felt by numerous children [11]. Retention of the current workforce is a priority. Excessive workloads are compromising the quality of education and care; understaffing and the misuse of ratios are widespread across the sector. This situation is not sustainable and the result is the workforce leaving the sector en masse.

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[5] Women's Economic Equality Taskforce (WEET) (2023). Letter to Minister Gallagher re: Women's Economic Equality Taskforce Advice for May 2023 Budget.

[6] Delivering a Skilled Workforce

[7] Early Childhood Education and Care National Workforce Census (2022). The Social Research Centre for the Australian Government Department of Education, p. 23.

[8] Thorpe, K, Jansen, E, Sullivan, V, Irvine, S, and P McDonald (2020), 'Identifying predictors of retention and professional wellbeing of the early childhood education workforce in a time of change', *Journal of Educational Change* vol. 21, p. 639.

[9] National Workforce Census

[10] Big Steps Report (2021). 'Exhausted, Undervalued and Leaving: The crisis in early education', found at: <https://bigsteps.org.au/wp-content/uploads/2022/08/the-crisis-in-early-education-uwu-report.pdf> p. 3

[11] Whitebook, M., D. Phillips and C. Howes (2014), *Worthy Work, STILL Unliveable Wages: The Early Childhood Workforce 25 Years after the National Child Care Staffing Study*. Centre for the Study of Child Care Employment, University of California, Berkeley, p. 6.



The Federal Government must commit to prioritising a real and funded workforce reform, including funding a much-needed wage rise for all educators, acknowledging that this sector supports a high-quality early learning system. To ensure that government funding for professional wages in ECEC truly enhances the quality of ECEC as intended, establishing strong accountability and transparency measures is crucial to ensure the funds are directed directly to educators.

Educators within the ECEC sector frequently encounter precarious work conditions, such as temporary, part-time, and contractual employment, lack of security, as well as inadequate wages. These are often strategies used in big business whereby the economic risks are shifted from the employer to the employee. In ECEC, this often manifests as uncertainty in rostering, regular job changes, low income, poor work conditions and expectations of unpaid work. Unfortunately, precarious forms of employment have become increasingly commonplace and accepted, posing significant challenges for educators, families and communities [12]. This is believed to be less prevalent amongst the not-for-profit approved providers who are less focussed on return on investment than large corporate providers.

Although there is a significant journey ahead, the ECEC sector has made some improvements in the pay and conditions for its workforce. One step in the right direction has seen some organisations aligning the remuneration of ECEC teachers with those teaching in the schooling sector, resulting in an increase in pay rates for these teachers. However, there remains a significant difference in conditions for those working in the ECEC sector compared to the schooling where they have access to leadership programs, career and professional development and training focused on the delivery of high-quality education programs [13]. While the conditions are not yet equivalent, this alignment has been a step forward, and it is crucial to safeguard and build upon this progress.

There is valuable learning to be gained from this approach, such as aligning the pay and conditions of nurses in aged care with those in major hospitals. By adopting similar strategies across sectors, we can promote fairness, recognise the value of different professions, and ensure equitable treatment for all workers.

## Job design and organisation

Ensuring a sound job design that aligns with the evolving roles is crucial in any workforce, including the ECEC sector. With the sector undergoing significant changes over the past 3 decades, it is time to evaluate if the current job design is appropriate for contemporary demands. While the primary focus of the role remains educating and caring for children, the nature of this responsibility has transformed significantly. In addition to the core expectations, educators now find themselves burdened with extensive paperwork, navigating various IT systems, developing high-quality programs, and needing expertise in areas like food handling and child-safe practices.

One of the challenges in designing ECEC jobs is the funding structure, which aligns with child hours and ratios.

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[12] The Conversation, 2019, Precarious employment in education impacts workers, families and students, <https://theconversation.com/precarious-employment-in-education-impacts-workers-families-and-students-115766>.

[13] Shaping our Future

This creates a staffing emphasis on having qualified educators at all times, even though structurally it might be more beneficial to have individuals with expertise in other relevant areas. This issue particularly impacts smaller services, as larger services often have the capacity to centralise tasks such as rostering, staffing, and finance, freeing up educators to focus on their primary role. This centralised approach can result in cost savings and promote better job design.

To ensure the job design in the ECEC sector is effective and responsive to current needs, it is essential to consider the changing expectations placed on educators, streamline administrative tasks, and explore flexible staffing models that allow for a diverse range of skills to be utilised. The role of educators should refocus on child development and outcomes; some of this has been lost with the competing demands and increase in regulatory burden and scrutiny. This realignment can lead to improved job satisfaction, enhanced quality of care and education, and better utilisation of resources within the sector.

## Professionalisation and career pathways

There is a need for professionalisation and development of career pathways across the care and support economy. While career pathways within ECEC will necessarily differ from those in aged, disability, and veteran care, there is scope for a common policy framework to support workforce development across sectors.

The ECEC sector has made significant progress in aligning with the education field. However, there are still crucial steps to be taken, starting with the establishment and maintenance of a stable, qualified, and respected workforce. To enhance the capabilities and effectiveness of the ECEC workforce, the Federal Government should invest in the sector by establishing a National Workforce Development Council. This council would be responsible for developing and overseeing a comprehensive national professional development framework and practice program, guiding sector-wide professional development activities and fostering career pathways. Urgent attention should be given to providing training and professional development incentives, including targeted funding for professionals working in disadvantaged, rural, and remote communities.

Career pathways for educators should demonstrate a seamless progression from Certificate III to a relevant Bachelor's degree and beyond. This pathway should illustrate how educators can transition across different parts of the sector within their careers and supports a career pathway that leads to long-term financial stability. According to the National Workers Union survey, 44% of those upskilling to become an ECT intend to leave the sector [14]. It is essential for those entering the sector to have a clear understanding of their career trajectory, ensuring they can envision a successful and fulfilling career journey within ECEC. When designing career pathways within the ECEC profession, it is crucial to recognise its distinct characteristics, including the requirement for high energy and fast-paced engagement, that may not align well with other sectors, such as aged care. This understanding should be considered to ensure that the career pathways are tailored appropriately, aligning with the unique demands and dynamics of the ECEC field.

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[14] United Workers Union, 2023, South Australian Royal Commission Submission 2023, viewed 22 June 2023, <https://www.royalcommissionecec.sa.gov.au/documents/3yo-preschool-submissions/United-Workers-Union-Submission-to-the-Royal-Commission.pdf>

To professionalise the ECEC sector, it is crucial to establish a national framework that includes clear standards, competencies, and qualifications for ECEC roles. This framework should be developed in consultation with sector experts, educators, and stakeholders. To ensure ongoing professional development and formal registration, it is recommended to implement a national accreditation system similar to the one used for teacher registration. This system would require educators to meet specified qualifications and engage in continuous professional development, including increased on-the-job training, mentoring and supervision of educators to support their career progression. By aligning with the teacher registration model, the ECEC sector can establish requirements, obligations, and expectations for professional development, ultimately recognising the expertise and dedication of the early childhood workforce.

## Safe and healthy workplaces

The care and support economy is both physically and emotionally demanding. The statistics highlight the increase in workplace injuries and claims in these sectors. Some of this is related to the diverse tasks the workforce undertakes throughout the day. It is vital to provide safe and healthy workplaces.

The ECEC workforce frequently performs various physical tasks throughout their workday, including manual handling, such as lifting equipment and children. These activities expose them to hazards such as slips, trips, and falls, as well as back, shoulders, and neck injuries. With the aging of the workforce, these risks are likely to escalate, posing further challenges. Unfortunately, we are also witnessing a rise in behaviour issues, increased stress levels among children, and other factors that can potentially impact the psychological safety of educators. It is crucial to address these concerns by creating a safe and healthy workplace that safeguards educators' physical and psychological safety. Some of these improvements will come from better monitoring of workplace incidents, a better understanding of the WHS legislation, and better education about safe work practices.

With the changes to the Work Health and Safety regulations for the control of psychosocial risks, workplaces must consciously manage and address psychological risks to all workers. The ECEC sector must be educated in these new obligations and have access to updated and ongoing WHS training and support. This could include a government-funded online learning system or phonenumber to address queries and training to better understand psychosocial behaviours and impacts. Much of the workplace safety knowledge can be shared across the care and support economy, ensuring valuable lessons learned in each sector be applied to other parts of the care and support sectors.

## Leadership and management

Leadership and management within the care and support economy are often hampered by staffing shortages.

In the ECEC sector, educators frequently depart before having the opportunity to assume leadership roles. This staff shortage leads to a situation where promising educators are often identified and promoted to managerial roles prematurely, lacking the necessary experience and training to fulfil their new responsibilities effectively.

This often leads to ineffective management and leadership practices or burnout among these staff members, ultimately resulting in their departure from the sector. Low retention levels at the management and leadership levels are increasing, forcing organisations to be competitive with salaries and offer alternate remuneration strategies not covered by government funding. Previously, it was common for individuals to complete an Advanced Diploma before transitioning into a management position. However, it has become increasingly rare to find managers with such credentials. It is essential to address these issues by providing and funding appropriate training and support alongside a range of professional development opportunities for aspiring leaders in the ECEC sector. This would enable them to navigate their new roles effectively, foster positive management practices, and reduce burnout.

## **Inclusive and culturally safe workplaces**

The care and support economy relies heavily on a workforce comprising individuals from culturally diverse backgrounds. This diversity enriches the sector and adds to its vibrant tapestry but also presents challenges. Employers require educational resources to enhance their comprehension of obligations and expectations in this area and ways of respecting and supporting diversity across teams.

ECEC services aim to foster a diverse workforce that reflects the broader community; however, having a diverse workforce alone does not guarantee a culturally secure environment. It must be accompanied by deliberate efforts to foster cultural security, promote understanding of diverse cultures and sensitivities, and actively address underrepresentation within the ECEC services. Regrettably, we observe an underrepresentation of First Nations people, individuals with diverse abilities, and those from the LGBTQIA+ community within these sectors. This lack of diversity hampers the creation of inclusive workplaces.

To rectify this, there should be a deliberate and planned effort to increase the representation of staff from First Nations backgrounds. This can be achieved by developing a dedicated First Nations strategy in consultation with SNAICC. Additionally, the Strategy should target the inclusion of individuals from the LGBTQIA+ community and those with differing abilities. The government could consider incentives for employing people from various populations and training in culturally safe and secure workplace practices.

Promoting inclusivity may also require job redesign and education to accommodate the cultural needs of these diverse groups, such as incorporating prayer times throughout the day. By fostering diversity and inclusivity, we can create equitable environments that respect and reflect the needs and perspectives of all individuals in our society. This must include a focus on educator wellbeing and safety. It is crucial to prioritise the representation and active participation of individuals from various communities within the care and support workforce, ensuring everyone feels valued and included.

# PRODUCTIVE AND SUSTAINABLE MARKET

## Government investment in the sector

We recognise that the government currently assumes multiple roles within the care and support economy. The substantial amount of taxpayer funding invested in this economy must be responsibly handled as it forms a key component of Australia's social infrastructure. The Federal Government is well placed to assume accountability for this.

Regarding ECEC, different levels of government fulfil the roles of funders, regulators, and stewards. However, these roles can occasionally conflict with one another. Therefore, it is crucial to establish clarity of roles, coordination and collaboration among all levels of government, with each level acknowledging and comprehending its specific responsibilities and commitments in fostering cooperation and providing financial support for and oversight of ECEC.

There is growing concern regarding the allocation of significant portions of government funding. Recent controversies surrounding Price Waterhouse Cooper's involvement in advising tax policy development while simultaneously benefiting from advising large corporations on how to exploit loopholes have ignited worries about the appropriateness of profit-driven motives in public policy and services. In the context of ECEC, questions are being raised about the allocation of government funding, mainly through the CCS, towards large corporations and offshore entities. As the number of people contributing to income tax reduces in the coming decades, what model will serve Australia best? Striking a balance becomes crucial for the government to ensure responsible utilisation of taxpayer funds and safeguard the interests of the public, especially those reliant on these services.

## Role of regulation

We recognise the critical role regulations play in ensuring the quality of the care and support economy. A prime illustration of this is the ECEC sector, which is subject to stringent regulation. Since the inception of the NQF, we have witnessed notable enhancements in the overall quality of this sector. It is imperative that these standards are not eroded, as we have seen in the aged care sector. When considering regulations, it is essential to ensure that they do not impose excessive burdens on the sector, negatively impacting the quality of care and the workforce experience.

Although the ECEC sector already maintains high regulatory standards, there is scope for improvement. Consistent implementation of these regulations across different jurisdictions is necessary to prevent confusion and ensure equitable care experiences. Educators raising queries regarding regulations could be supported via a helpline. There is a pressing need in the sector for more efficient and effective reporting mechanisms. By reducing the administrative burden on educators, they can allocate their time and energy more effectively towards delivering high-quality care to children.



Although significant efforts have been made to safeguard Australia's children, such as the implementation of the Safe and Supported: the [National Framework for Protecting Australia's Children 2021 - 2031](#) and the [National Principles for Child Safe Organisations](#), there is a need for further support to ensure the effective implementation of these measures in ECEC services in the form of funding and training. While Victoria has emerged as a frontrunner in this regard, other states have been slower to engage with these initiatives.

Presently, the requirement for WWCC is handled at the state level, necessitating the need for a unified national approach. This presents an ideal opportunity to implement a comprehensive national working with people check.

## Funding models that deliver quality care and support

While the market-driven approach in the care and support economy has served its purpose thus far, it is essential to question whether it is the most suitable approach for the future. Certainly, in the context of ECEC, the current market-driven approach does not prioritise the best interests of children, families, and communities. A significant portion of government subsidies is currently directed towards overseas investors and large corporations, where maximising shareholder profits takes precedence over the well-being of children and families. Although involving these corporations has helped address the demand during a period of rapid growth over the past three decades and ease the strain on other institutions, it is necessary to critically evaluate whether this approach is optimal for the future and if the interests of all parties involved are being adequately served.

To ensure a brighter future for all children, it is imperative that we adopt a new model that prioritises the needs of Australian children and families. This model should guarantee universal access to quality ECEC services, regardless of geographical location, background or ability, including First Nations children and those with developmental delays or disability. The new model should address the inequities experienced by those residing in disadvantaged, rural and remote communities, where market failures or insufficient market presence are often evident. Exploration of funding models that are aimed at supporting these services also needs to be financially sustainable. A new model should be designed to meet the specific needs of children and families within their respective communities and utilise government funding effectively.

Sustainability is a crucial consideration for the future. So, will the current co-contribution model serve Australia best in the future? There is often a naïve belief that you should receive a better standard of care if you pay higher fees, but we know this is not always the case. In relation to ECEC, we could learn from the education sector, where children aged over 5 years are universally funded for their education needs and not penalised based on their parent's income or activity. There is still room for choice and control in this model (for example, those wanting to choose private schools that offer something different from public schools). This funding model allows us to establish a more inclusive and sustainable approach to ECEC, promoting social equity and removing barriers to access based on financial considerations.

The goals of the Draft National Care and Support Economy Strategy included Goal 3: “A care and support economy that has functioning markets, sustainable funding and generates productivity gains.” Some caution needs to be exercised in how this goal is implemented, due to the limitations of current economic models for measuring the productivity of work across the care and support economy. Reliance on too narrow a productivity model within care services has a risk of producing counter-productive outcomes that reduce the quality or continuity of care.

While there are opportunities to improve the amount of care time that workers can deliver by reducing the time spent on administration or automating basic tasks, the nature of care work is about relationship and connection – which is quickly undermined by efforts to deliver more ‘instances’ of care in a shorter time period.

On the one hand, a more inclusive model of productivity focused on wellbeing outcomes may be able to give us a better appreciation of how quality care delivered by early educators contributes both to the increased productivity of parents with more time and less stress, as well as to the future productivity of happy and healthy children who may become the innovators of the future. On the other hand, there are also limitations to the comparative wellbeing outcomes that can be achieved by providing quality care to a person with a lifelong disability or a senior citizen with dementia who is likely to become increasingly frail and less capable despite the best care. There is significant social value in delivering quality care that acknowledges their past contributions to our community or recognises the rights of less fortunate citizens to live a decent life – but these things are not easily quantified by economic models nor delivered by competitive markets.

To this end, more research is needed to better capture the productivity and social value delivered by quality work within the care economy and to link it to wellbeing measures and community standards. At the same time, caution is needed to ensure that public services deliver public value and service models are not gamed to increase profitability at the cost of quality care.

## **Innovation shared across sectors**

We acknowledge the ever-changing nature of our world, and it is vital for the care and support economy to adapt accordingly. The ECEC sector has embraced numerous technological advancements in the past decade. While some of these innovations have proven beneficial, others have fallen short. Many were marketed to the sector as time-saving mechanisms that would enhance productivity and quality, but in reality, they have resulted in increased workloads and heightened demands.

For instance, implementing online programming and communication with families has led to a surge in expectations placed on educators. They are now expected to provide a greater quantity of photos, stories, and observations. This places a burden on the workforce, as many educators find themselves completing these tasks outside of their regular working hours without any additional compensation. The ECEC sector is currently grappling with high levels of burnout, and these additional expectations only serve to exacerbate the issue.

The ECEC sector's experience in implementing technology holds valuable lessons that can be applied to other care and support sectors. While a great deal of technology can be shared across these sectors, it is essential to take note of the lessons learned from the ECEC sector's implementation process. By drawing insights from their experience, we can improve the implementation of technology in other sectors within the care and support economy.

ECEC showcases current innovative models that successfully integrate care and support services. For instance, in the Northern Territory, Child and Family Centres incorporate an ECEC component along with tailored programs and support agencies that cater to the specific requirements of each community. Similarly, in other regions, we observe the co-location of ECEC services with aged care facilities.

Although these integrated models are still in their early stages, they hold the potential to shape the future, allowing our services to align with the unique characteristics of each community. It is through these innovative models that we may see the care and support economy working cohesively.

## Data used to support the sectors

Data collection, storage, and utilisation are crucial in the care and support economy, just as in other sectors. Data plays a significant role in providing valuable insights into the needs, demographics, and preferences of the individuals who benefit from these services. Furthermore, data enables the measurement of the impact and effectiveness of services and programs, aiding in informed decision-making and evidence-based policymaking.

The collection and transmission of data within the ECEC sector face significant challenges as aggregated data is not generally well collected or easily transmitted for analysis. There are some anomalies, including:

- **National Workforce Census** - a nationwide survey collecting information about service usage, children with additional needs, access to preschool/kindergarten programs and staffing
- **Reports on Government Services** - reports on the performance of ECEC services
- **NQF Snapshots** - provides information on the sector and the quality ratings of services.

However, during the COVID-19 pandemic, when sustainability grants were made available to support the continuity of services, the data required was not readily accessible and gathering it became laborious for services. Data collection and analysis demanded considerable time and effort, often from individuals without specialised training. As a result, smaller services, lacking the necessary resources for this process, often missed out on accessing the funding.

Similarly, there appears to be little data available relating to planning new services development. This leaves the development of services solely reliant on the developers. Data linkage and sharing across systems is required; for example, data is collected on the number of children under 6 years of age with developmental delay; this data would be useful in planning ECEC services to meet the needs of these children but is currently not available across the sectors. It is imperative to have access to data to guarantee appropriate planning and the delivery of high-quality ECEC services.

Moving forward, there is the opportunity for Australian governments to take a more joined-up and strategic approach to how data is used both to measure the impact and outcomes of programs and to support the development and evaluation of more effective service models. The commitment to develop and implement a National Wellbeing Budget Framework by Treasury creates an opportunity to more consistently measure outcomes across services and locations and within disadvantaged or at-risk cohorts. Using the Data Lab model that has been trialled in the UK over the last decade, we could put in place secure access to deidentified data and analytic expertise to support and enable service providers to compare their own service data to service system and population outcome data to better measure their social impact and service improvement.

If nothing else, the recent data breaches experienced in Australia have highlighted the importance of secure policies and procedures and standards around data collection and transmission. The care and support economy should head these lessons and develop a set of standards relating to data to ensure the safety and effective use of this data.

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# RECOMMENDATIONS

- Conduct a comprehensive examination of the intersections and professional alignments within the care and support economy, particularly acknowledging the alignment of the ECEC sector with Education.
- Children receiving ECEC services have access to a trained and professional workforce focussed on providing high-quality educational outcomes for children and supported by a government-funded workforce strategy and professional development program.
- Implementation of SNAICC's National Aboriginal and Torres Strait Islander Early Childhood Strategy.
- ECEC workplaces are supported to be well organised with supportive systems that prioritise the cultural, psychological and physical well-being of ECEC professionals.
- Transition to a universal publicly funded ECEC system away from a market model to one that provides sufficient financial support for high-quality service provision to meet the evolving needs of families and communities.
- Enhance data collection and utilisation in the care and support economy to inform decision-making, policy making, and improve service provision, and include access to data and expertise for measuring child outcomes, supporting service improvement, and conducting further research on the productivity, economic, and social contribution of ECEC.

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# CONCLUSION

The consortium welcomes a national solution to the issues facing what is described in the Strategy as the care and support economy. The ECEC sector strongly focuses on educational and developmental outcomes for children. It, therefore, has aligned itself with the education sector, resulting in some professional gains that must continue to be built upon. As a sector, ECEC is focused on ensuring children and families access high-quality programs; this includes a range of challenges, including access and affordability, workforce availability, cultural and psychological safety and easy-to-use systems.

Like many other sectors, ECEC needs to develop an appropriate work environment for educators, including appropriate pay and conditions, well-designed work roles, professionalisation and career pathways, safe and healthy work environments and strong leadership.

Finally, the future of ECEC must be sustainable, including government funding, supportive regulation, and innovative practice, and be driven by data. While many of these issues are common to other sectors, ECEC has already made considerable inroads. However, there is an opportunity for all sectors to learn from one another. The consortium supports the efforts to address these issues; our expectation is a strategy that addresses these challenges and fosters an inclusive and sustainable care and support system.

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