

THRIVE BY FIVE SUBMISSION TO THE ROYAL COMMISSION INTO EARLY CHILDHOOD EDUCATION AND CARE (SOUTH AUSTRALIA) THREE-YEAR-OLD PRESCHOOL

May 2023



ABOUT MINDEROO FOUNDATION

Established by Andrew and Nicola Forrest in 2001, Minderoo Foundation is one of Australasia's largest philanthropies, with AUD\$ 2.6 billion funds invested in philanthropic causes. Minderoo Foundation supports a range of initiatives, including eliminating childhood cancer, improving early childhood education, ending modern slavery, and driving accountability and responsibility for global overfishing, plastic pollution, improving gender equity, global warming, and the tech ecosystem. Through a collaborative, evidence-based approach we strive to solve major challenges through our key initiatives.

ABOUT THRIVE BY FIVE

Thrive by Five is an initiative of Minderoo Foundation that is campaigning to transform our current early learning and childcare system into a comprehensive, high-quality, universally accessible, and affordable early learning system. Thrive by Five is led by Jay Weatherill, AO, formerly Premier of South Australia.

1. INTRODUCTION

Led by the Hon Julia Gillard AC, the Royal Commission into Early Childhood Education and Care (**Royal Commission**) is inquiring into:

1. The extent to which South Australian families are supported in the first 1,000 days of a child's life, focused on opportunities to further leverage early childhood education and care to enable equitable and improved outcomes for South Australian children.
2. How universal quality preschool programs for three and four-year-olds can be delivered in South Australia, including addressing considerations of accessibility, affordability, quality and how to achieve universality for both age cohorts. Consideration of universal three-year-old preschool should be undertaken with a view to achieving this commencing in 2026.
3. How all families can have access to out-of-school hours care (**OSHC**) at both preschool and primary school ages, including considerations of accessibility in all parts of the state, affordability and quality in public and private settings.

Thrive by Five notes that there are many issues associated with the delivery of three-year-old preschool. These span evidence on the development and learning benefits of high-quality

preschool for children and matters related to the delivery funding and regulation of preschool, including the responsibilities of the Commonwealth, South Australian and local governments.

2. A LONG-TERM VISION FOR EARLY CHILDHOOD DEVELOPMENT IN SOUTH AUSTRALIA

Note: This section is repeated from the first submission to the Royal Commission made by Thrive by Five on 28 February 2023

Thrive by Five recommends that the Royal Commission make recommendations within the context of a long-term vision of a 'world-leading' early childhood development 'system' for South Australia. An early childhood development 'system' includes maternity care, child and maternal health services, early childhood education and care (**ECEC** - childcare and preschool)), family services and benefit payments (e.g. paid parental leave). These are foundations that governments provide to support families raising children.

The Centre for Policy Development, in its seminal *Starting Better Report*¹, provided more detail of what a world-leading early childhood development system in Australia would include when it defined an 'Early Childhood Guarantee' for all children and families:

- Paid parental leave;
- Universal access to maternal and child health care;
- Three days (up to 30 hours) of free or low-cost high-quality early childhood education and care;
- Three days (up to 30 hours) of free or low-cost high-quality preschool per week for the two years before children start school;
- A wraparound "navigator" service for families who need extra help to find and access suitable supports, as part of integrated whole-of-family early childhood service delivery; and
- Developing better mechanisms to provide seamless support for children from the day they are born, including more effective transitions from early learning to primary school.

A key consideration for the Royal Commission may be defining 'universal quality preschool'. Thrive by Five recommend that the accepted definition between Australian governments for 4-year-old preschool² be adopted for 3-year-old-preschool in South Australia. This definition would state that every child, 24-12 months prior to full time schooling, has access to a preschool program delivered:

- by a four-year, university-qualified early childhood teacher in accordance with a national early years learning framework;
- for 15 of hours a week, 40 weeks a year;
- across a diversity of settings; in a form that meets the needs of parents; and
- at a cost that does not present a barrier to participation.

¹ Centre for Policy Development. *Starting Better*. 2021

² National Partnership Agreement on Early Childhood Education. Australian Governments. 2008

Researchers have stated that a vision such as that described in the *Starting Better Report* is best delivered by providing Integrated Early Years Centres that provide child and maternal health, ECEC (childcare and preschool, family services and playgroups) located in local neighborhoods, particularly on or near school sites³, and that there is a coherent base of evidence to support this approach. School communities offer natural social contexts for the delivery of such services in Australian contexts and there is the opportunity to significantly improve life course opportunities for children via neighbourhood early years initiatives based on school sites⁴.

Thrive by Five believes this is aligned with existing visions for an early childhood system in South Australia and builds on previous policy analysis and reform.

Fraser Mustard, the Thinker in Residence for South Australia in 2008, recommended continuing the establishment of universal early child development and parenting centres linked to local primary schools⁵. He stated these centres must provide integrated services, with an integrated program that is supported through whole-of-government funding and supported the inclusion of publicly funded childcare and preschool education within the centre program.

Carla Rinaldi, the South Australian Thinker in Residence for 2012⁶ recommended creating in South Australia an integrated early childhood system of services for children 0-6 years where 'integrated' means that care and education are inseparable.

Through the South Australian Government's Children's Centre's program⁷, the state has already commenced building integrated early years centres on or near school sites.

The practical benefits of these centres are many and include:

- High-quality early childhood health, ECEC and other family and children's services accessible in the local community;
- Provision of OSHC with extended hours at every school;
- Sustainable funding through the Commonwealth Government is available through its responsibility to fund ECEC (including OSHC and preschool – currently paid through the Commonwealth Government's Child Care Subsidy) which can be supplemented by South Australian Government funding;
- Maximising the expertise of early childhood teachers and educators employed by schools across childcare and 3-year-old preschool settings;
- Seamless transitions for children from care to school; and
- Local centres provide an opportunity for early years professionals to identify and connect families that need help with community and social services that can help them.

The long-term vision of establishing Integrated Early Years Centres located on or near school sites, that deliver universal and high-quality services provides a foundation for a world-leading early years system for South Australia, bringing to life the 'Early Childhood Guarantee'

³ Life Course Centre. Early Childhood Development and Neighbourhood Hubs: A Review of the Literature. 2020.

⁴ Life Course Centre. Early Childhood Development and Neighbourhood Hubs: A Review of the Literature. 2020.

⁵ Mustard. F. Investing in the Early Years: Closing the gap between what we know and what we do. 2007.

⁶ Rinaldi. C. Re-imagining Childhood The inspiration of Reggio Emilia education principles in South Australia

⁷ SA Government Website. <https://www.education.sa.gov.au/parents-and-families/child-care-services/childrens-centres>

described in *Starting Better Report*⁸. Thrive by Five believes that this is the most effective and efficient way to deliver 3-year-old preschool and OSHC.

If the Royal Commission agrees with this vision, then it should recommend support for families in the first 1000 days and 3-year-old preschool and OSHC that are aligned and build on South Australian Government reforms past and present.

Thrive by Five's recommendations in this submission are aligned with achieving this vision.

Recommendation:

That the Royal Commission set a long-term vision of establishing Integrated Early Years Centres located on or near school sites that deliver universally available and high-quality services early childhood services (including 3-year-old preschool and OSHC); and aligns all recommendations to achieve this vision.

3. ECEC AS A BACKBONE SERVICE FOR AN EARLY CHILDHOOD DEVELOPMENT SYSTEM.

Economic, social and developmental science evidence supports the provision of universal and high-quality ECEC, including 3-year-old preschool. This is because of its impact on children's development and learning (with greater benefits for children from disadvantaged backgrounds⁹), and allows parents to work, which in turn provides more family resources to support child development and benefits the economy. A public health approach with low barriers to entry lead to more effective and efficient developmental support.

Thrive by Five strongly supports providing a universal model of preschool, rather than a targeted approach (only to children in disadvantage). Research shows that a universal approach (public health approach) with low barriers to entry lead to earlier, more effective and efficient developmental support¹⁰. Proportionate universal (also known as progressive universal) service systems are recommended to support early years health and development. Proportionate universal systems offer some form of services to all members of the population with service responses increasing for those in greater need or facing more barriers to effective parenting.

Secondly, universal programs build stronger political and public commitment than targeted approaches. This is critically important in ensuring the long-term viability of services.

Why should 3-year-old preschool be universal? In 2021/22, 57% of 2-year-olds and 63% of 4-year-olds attended a registered ECEC service in South Australia. An estimated 95% of children attended kinder (4-Year-old preschool). Further, the percentage of all 0–5-year-olds attending a registered ECEC service has increased year on year for the past five years and is likely to continue to increase as families find that two adults are required to work (full or part-time) to meet family financial commitments¹¹.

¹²This is shown in the table below.

⁸ Centre for Policy Development. *Starting Better*. 2021

⁹ A Review of the Effects of Early Childhood education. Government of NSW. 2018

¹⁰ Five by Five A Supporting Systems Framework for Child Health and Development. University of Adelaide 2014.

¹¹ Report on Government Services. Early Childhood Education and Care 2022 Table 3A:14

¹² Cheaper Childcare. A practical plan to boost female workforce participation. Grattan Institute. 2020

AGE	PERCENTAGE ATTENDING A REGISTERED ECEC SERVICE IN SOUTH AUSTRALIA
0 years old	10.4
1 year old	45.5
2 years old	57.2
3 years old	63.4
4 years old	55.6
5 years old	39.6

This demonstrates that ECEC is now attended by most children, and the percentage is increasing each year. It is used more by children and families than other early childhood services.

Given this, there is an opportunity for ECEC to be used as a 'backbone' service in Integrated Early Years Centres, consistent with the vision described above. The reasons for this are:

- They are now attended by most children, and the percentage attending is increasing.
- They are staffed by trained professionals who interact with families each day.
- They have suitable facilities that can accommodate other visiting professionals.
- They have stable and sustainable funding delivered by the Commonwealth, and South Australian Governments.
- The regulations governing their operation provide the flexibility to deliver long day care, occasional care, OSHC and 3 and 4-year-old preschool.

If ECEC (including 3-year-old-preschool) is delivered as part of Integrated Early Years Centres located on or near school sites, this leverages the capacity of ECEC to host other services, creating wrap-around service approaches, and provide regular contact with families enabling early intervention and better transitions to school.

Recommendation.

ECEC becomes a universal backbone service that hosts other children's services including maternal and child health, 3-year-old preschool and OSHC.

ECEC services be progressively located on or near school sites in future years, starting with schools located in low socio-economic, outer-regional and remote communities.

4. THE EXTENT TO WHICH SOUTH AUSTRALIAN FAMILIES ARE SUPPORTED IN THE FIRST 1000 DAYS OF A CHILD'S LIFE, IS FOCUSED ON OPPORTUNITIES TO FURTHER LEVERAGE EARLY CHILDHOOD EDUCATION AND CARE TO ENABLE EQUITABLE AND IMPROVED OUTCOMES FOR SOUTH AUSTRALIAN CHILDREN.

These ECEC services provided or facilitated by the South Australian Government are important for children and their families in the first 1000 days:

- Pre- and post-natal care.
- Maternity services.
- Universal access to maternal and child health care.

- Parenting information and support.
- Public information campaigns highlighting nutrition and avoidance of dangerous substances (e.g. alcohol)

Thrive by Five was not able to access data on the provision or use of these services in South Australia that would inform its response, and therefore cannot comment specifically on how well families in South Australia are currently being supported in the first 1000 days. General comments, and considerations for the Royal Commission, are provided below.

Thrive by Five notes that data shows that South Australian children have comparably poorer development and learning outcomes to other states (e.g. AEDC, Year 3 NAPLAN Reading). However, South Australia generally has higher levels of social and economic disadvantage compared to other Australian states and territories. The high correlation between socio-economic disadvantage and children's development may explain why South Australia's children have poorer development levels. Thrive by Five encourages the Royal Commission to research which children are vulnerable in what domains, and where they live¹³.

Notwithstanding this, the data implies that there needs to be a strong focus on early intervention and support for vulnerable children and their families in South Australia. More specifically, the focus may need to be on the urban poor – with most disadvantaged people residing in the Adelaide metropolitan area (there are small populations of extreme poverty in remote communities, but the numbers are not significant compared to the number of low-income people in the Adelaide metropolitan area).

An obvious data gap is the percentage of children that are attending Child and Maternal Health services and receiving their developmental checks (Blue Book). This is the primary universal service for 0–3-year-olds, and without high participation rates, it is difficult for early childhood professionals to identify problems early in a child's trajectory and refer them to appropriate intervention services. Given the relative vulnerability of South Australia's 0–5-year-old children, it is important that Child and Maternal Health services are well-resourced, effective and can provide additional support for vulnerable families and children.

South Australia has remote Aboriginal communities which are characterised by high levels of disadvantage. Mainstream ECEC services are most often not suitable for these communities. Providing services that meet the needs of these communities promotes equity and the healthy development of Aboriginal children. The establishment of Aboriginal Children and Family Centres (established under the Indigenous Children National Partnership¹⁴) or the Families as First Teachers (**FaFT**) programs have good evidence of effectiveness and should be considered for these communities.

Thrive by Five has identified the following policies or initiatives that could be reviewed to enhance support for vulnerable families in the first 1000 days.

Considerations:

¹³ This research could be conducted by the Fraser Mustard Centre.

¹⁴ Indigenous Early Childhood Education National Partnership. 2009.

- Review, and if required, expand Intensive Nurse Home Visiting for at-risk families (an extension of the universal home visiting that all families receive). Research shows this service is very effective for highly at-risk families, particularly when it is interconnected with other services that can provide targeted support.
- Review, and if required, fund and reform the Child and Maternal Health Service to ensure that 100 per cent of children receive all their development checks.
- Review, and if required, provide funding for additional early intervention services to reduce waitlists for child development specialists (e.g., Paediatricians, Speech Therapists).
- Review the FaFT program that is being operated in the Northern Territory. If suitable, implement the program in remote Aboriginal communities in South Australia.

5. HOW ALL FAMILIES CAN HAVE ACCESS TO OUT OF SCHOOL HOURS CARE (OSHC) AT BOTH PRESCHOOL AND PRIMARY SCHOOL AGES, INCLUDING CONSIDERATIONS OF ACCESSIBILITY IN ALL PARTS OF THE STATE, AFFORDABILITY AND QUALITY IN PUBLIC AND PRIVATE SETTINGS.

A lack of access to OSHC can be a major stumbling block to parents pursuing or maintaining their employment opportunities. This can harm the financial viability of households, child development which is connected to a family's economic fortunes, and the general economic activity of South Australia.

Many parents are familiar with the stress of balancing work and family. It begins with finding a childcare place for infants and toddlers, which can lead to a difficult 'double drop-off' between the childcare centre and school, and then getting to work on time. In the afternoon, it all starts again when school finishes hours before many parents finish work. School holidays bring extra headaches as parents ponder what to do with their children during working hours.

Making OSHC available for every family should be a priority for all governments, given the shared funding and regulatory arrangements between the Commonwealth and South Australian Governments. The primary responsibility of the Commonwealth Government to fund OSHC, means that delivering OSHC in South Australia requires a high level of cooperation between the Commonwealth and South Australian Government.

As stated above, Thrive by Five believes that the long-term vision for the delivery of OSHC in South Australia should be through registered ECEC centres that are part of Integrated Early Years Centres located on or near primary school sites. These centres would also provide long day care, 3-year-old, and possibly 4-year-old preschool, and other child and family services. Integrated Early Years Centres should provide enough places for the expected demand for each school's local catchment area.

Providing OSHC through Integrated Early Childhood Centres located on or near primary school sites has many advantages. Including:

- High-quality OSHC is accessible in the local community;

- Provision of OSHC on school sites extends the hours at every school, making ‘pick-ups’ and ‘drop-offs’ easier for families;
- Sustainable funding through the Commonwealth Government is available through its responsibility to fund ECEC (including OSHC) which can be supplemented by South Australian Government funding if required;
- School staff can support the quality of the OSHC programs;
- Seamless transitions for children from care to school;
- Opportunities for early years professionals to identify and connect families that need help with services that can help them; and
- Schools have existing infrastructure that can in many instances, be easily modified for OSHC.

Recommendation:

The South Australian Government have a long-term policy goal of OSHC being delivered in Integrated Early Years Centres located on or near school sites.

ECEC service providers contracted by the South Australian Government to deliver 3-year-old preschool be required to:

- ‘Reinvest’ all, or a set percentage of funding provided in improving the quality of delivery of OSHC and/or services for the community;
- Work with other children’s and family services;
- Meet or exceed National Quality Standards; and
- Provide appropriate pay and conditions for staff to equip them to deliver high-quality early learning for South Australian children.

6. WORKFORCE

Across Australia, the ECEC workforce is in crisis, with high turnover, staff shortages and stress being reported by teachers and educators. Large providers have stated that the shortage of qualified educators and teachers is forcing the closure of rooms and in some cases entire ECEC services.

This was demonstrated by the recently released *National Quality Framework (NQF) Performance Report*¹⁵ which found that the percentage of ECEC services given a workforce waiver from the NQF standard (because they could not attract suitable staff) had increased markedly. It found 8.5 per cent of all ECEC services hold a staffing waiver, up from 6.7 per cent in 2021.

Nationally, 16.2 per cent of long day care services hold a staffing waiver (up from 11 per cent in 2021). To make the crisis worse, the early childhood and primary initial teacher training degree completion numbers continued to decline. In South Australia, the proportion of long day care services with a staffing waiver has risen from 10 per cent in 2016 to 18.5 per cent in

¹⁵ ACECQA National Performance Report 2022

2022. This means that almost 1 in 5 long day care centres cannot attract suitably qualified staff, which significantly impacts the quality of the educational program that can be provided to children.

Other state governments have taken steps to address the workforce crisis in the ECEC sector, and unless South Australia takes similar measures it risks losing early childhood trained teachers and educators to other states and territories. For example, the Victorian Government¹⁶ is offering:

- Individual incentives of \$9,000 for eligible qualified early childhood teachers working outside the Victorian early childhood sector to take up a teaching role at any service delivering, or planning to deliver, funded three-year-old preschool in 2023; and
- Location incentives of between \$9,000 to \$50,000 for qualified early childhood teachers who secure a teaching role at selected services.

Further, New South Wales teachers are being offered incentives of \$20,000 to \$30,000, rental subsidies, recruitment and relocation bonuses¹⁷.

For the South Australian Government to meet its objectives of delivering 3-year-old preschool, it must address the workforce crisis in the ECEC sector.

Recommendations:

That the South Australian Government implement a suite of measures to address the workforce crisis in the ECEC sector. This should include:

- Improved wages and conditions for ECEC teachers and educators (within South Australia to attract staff to less-desirable locations, and interstate to attract staff from other states and territories);
- Benefits and incentives like other states and territories to attract and retain ECEC staff;
- Fee-free university (no HECS) and TAFE places for people wishing to train as ECEC teachers and educators;
- Improve the tenure for ECEC teachers and educators who work for government services to provide more sustainability for services and staff; It should also consider requiring this of ECEC providers that receive South Australian Government funding;

Negotiation with the Commonwealth Government to establish a national approach to setting minimum pay and conditions for early childhood staff on Federal Awards; create a system of national teacher registration; and use its powers to change the existing Australian Institute for Teaching and School Leadership (AITSL) requirements for early childhood trained teachers to include appropriate 0–5-year-old content;

- Funding for ECEC providers to release staff for in-service training programs;
- Working with tertiary education institutions to develop a birth-to-five years teaching degree;

¹⁶ <https://www.vic.gov.au/financial-support-study-and-work-early-childhood>

¹⁷ NSW Teacher Benefits and Incentives - <https://education.nsw.gov.au/teach-nsw/find-teaching-jobs/choose-rural/benefits-and-incentives#Additional1>

- Recognising birth-to-five-year teaching degrees awarded in other Australian states and territories.

7. OTHER AREAS OF INQUIRY

Children and families living in rural and remote areas have poorer access to ECEC services than their counterparts living in metropolitan and inner regional areas. *The Childcare Deserts and Oasis Report*¹⁸, completed by the Mitchell Institute, demonstrated about nine million Australians, or 35 per cent of the population, live in neighbourhoods where there are not enough childcare centres and available places to meet the needs of families¹⁹. About one million Australians have no access to childcare at all. The population centres most likely to not have any childcare accessible within a twenty-minute drive are towns with a population under 1,500, of which there are many in South Australia.

The mixed market structure of the ECEC sector means that providers are discouraged from delivering services in thin markets, or communities where families cannot afford higher childcare fees. The review commissioned by the Commonwealth Government from the Australian Competition and Consumer Commission (ACCC) and Productivity Commission to review the current ECEC system is welcomed but is unlikely to result in rapid changes to the availability of ECEC.

The implications for the South Australian Government are significant. Parents in these areas, often low-income workers, can take up work for fewer hours than they would prefer, which in turn leads to unemployment and adverse social issues. These adverse social issues impact the wellbeing of individuals and increase the costs to the South Australian Government of providing social, community and justice services. Most importantly, a lack of access to ECEC also widens the long-term gap in child development, reducing educational performance and regional productivity.

To address this, the South Australian Government needs to find ways of increasing the supply of quality ECEC in rural and remote areas.

It was pleasing to see the Royal Commission in its interim report make several recommendations that could address issues with the supply of ECEC services in rural and remote areas, in addition to 3-year-old preschool. For example Recommendation 18 which provides that universal three-year-old preschool be delivered through the following mix of provision.

- I. Three-year-olds already in long day care or non-government preschool receive their preschool through that long day care or non-government preschool setting.
- II. Additional capacity in government preschools be offered on a priority basis to three-year-olds that are not already engaging in early childhood education care;
- III. In areas of high developmental vulnerability, there be place based commissioning of integrated service hubs.

¹⁸ A childcare desert is a term that comes from the early learning research literature and refers to areas where childcare is most scarce.

¹⁹ Mitchell Institute 2021. *Deserts and Oasis: How accessible is childcare in Australia?*

- IV. In other areas, unmet demand be met by managed market response, matching parent demand with cost efficient increases in supply. This should be facilitated by locally based implementation team working on behalf of the South Australian Government. Following the completion of the roll out, consideration could be given to making this function ongoing, to provide ongoing stewardship across the early childhood education and care sector.

As stated above, Thrive by Five supports ECEC being delivered through integrated service hubs, and many of these service hubs need to be established in rural and remote areas where there is currently no or limited supply of ECEC.

Not only does research show that Integrated Early Years Centres that provide child and maternal health, ECEC (childcare, preschool), and family services (e.g. playgroups) are effective in improving children's development, but they are also convenient for parents. Further, locating Integrated Early Years Centres at or near schools is an accessible location for families (pram-pushing distance for many families, one-drop off for families) and cost efficiencies can be achieved for the South Australian Government in the provision of infrastructure and staffing. This is a particularly efficient and effective model for rural and remote areas, where the South Australian Government already has infrastructure (e.g. schools) and trained staff that can be used to provide cost effective ECEC in small communities. Building tailored integrated service hubs that include 0–4-year-old ECEC, either provided by or hosted by schools makes sense in many rural and remote communities.

However, in some communities, such as Aboriginal communities, schools may not be the most suitable site for Integrated Early Years Centres. Health services, such as Aboriginal Medical Services, may be more suitable locations for Integrated Early Years Centres that include ECEC services. Local communities or their representatives such as Aboriginal Community Controlled Organisations (ACCOs) should be able to determine the most suitable location for their community.

Integrated Early Years Centres situated on or near primary school sites, particularly in low-income communities, are readily justified as a key pillar of early years policy. There have been precedents for this, with the Commonwealth Government providing funding to the States and Territories through the National Partnership Agreement for Indigenous Early Childhood Development in 2010²⁰.

Recommendation:

- The Royal Commission expand its recommendation of place-based commissioning of Integrated Early Years Centres to include smaller rural and remote communities;
- The Royal Commission develops models of Integrated Early Years Centres that can be incorporated into, or hosted by, schools in small rural and remote communities;

²⁰ National Partnership Agreement for Indigenous Early Childhood Development. 2010

- In Aboriginal communities, the South Australian Government consult local communities or their representatives to determine the most suitable location for Integrated Early Years Centres.

8. WHAT OPPORTUNITIES ARE THERE TO INNOVATE, REDESIGN AND CODESIGN ECEC SERVICE MODELS WITH COMMUNITIES TO IMPROVE OPPORTUNITIES FOR FAMILIES AND CHILDREN EXPERIENCING DISADVANTAGE?

The value of ECEC as an intervention mechanism to disrupt disadvantage and identify developmental vulnerabilities is clear²¹. Research shows that a universal approach is a more effective and efficient support for all children, particularly children from disadvantaged backgrounds, than targeted programs. This is particularly important for children who are vulnerable, or from low-income families²².

As stated in the *Lifting our Game Report* there is a clear need to target, ‘additional support for vulnerable children and families to promote access, equity, and inclusion, recognising that some children and their families require it to thrive. Nowhere is the evidence for this clearer than in the benefits of early intervention. A child who starts behind stays behind, which comes at enormous cost to him or her, the community, and government. Targeted, evidence-based early childhood interventions can prevent this from happening and break intergenerational cycles of disadvantage’²³.

There are significant opportunities to innovate and redesign ECEC service models within a broader early childhood development system through place-based initiatives that bring community and all levels of government together to co-design effective and sustainable systems. Examples of this work in practice include the Early Years Partnership which is being delivered in four communities in Western Australia and being funded in a tripartite arrangement between the State Government, the Commonwealth Government and philanthropy (Minderoo Foundation).

There are place-based ECEC and ECD initiatives that involve co-design with community in other states and territories including notable examples in Queensland (Logan Together and Thriving Queensland Kids).

Recommendation:

[The Royal Commission research best practice place-based ECD models nationally and explore expanding delivery of such initiatives in South Australia.](#)

²¹ Submission to South Australian Royal Commission Interim Report: I Siraj (2023); Oral evidence: B Jordan (25/1/23)

²² Life Course Centre

²³ Pascoe, S, Brennan D. *Lifting our Game. Report of the Review to Achieve Educational Excellence In Australian Schools Through Early Childhood Interventions.*

9. HOW SHOULD THE ROYAL COMMISSION CONCEPTUALISE COSTS AND BENEFITS IN RELATION TO ITS RECOMMENDATIONS?

Funding high-quality early childhood education should be viewed by as an investment, not a cost, that provides a strong return to governments, society, and families.

Raising children is the most important thing we do— not just as families, but as a society. The evidence is clear that a child's earliest experiences lay the foundations for life. High-quality early childhood development and learning experiences lead to healthier development, improved educational outcomes, and better long-term life outcomes. All these outcomes have a significant and quantifiable benefit to our communities, society, and economy.

However, in Australia, too many children are developmentally vulnerable when they start school[1]. The Australian Early Development Census (AEDC), conducted every three years, showed that in 2021, one in five children still start school developmentally vulnerable when they start school, with these figures even higher for Aboriginal and Torres Strait Islander children and children from disadvantaged backgrounds. It showed there had been a slight increase in the percentage of children that were developmentally vulnerable from when the previous census occurred in 2018.

Evidence also clearly shows that providing access to high-quality ECEC programs drives improvements in children's literacy, numeracy, and social and emotional well-being[2]. The benefits of quality early childhood education are widely accepted internationally. The evidence is extensive and consistent[3]. In 2017 Australian Governments commissioned a review to make recommendations on the most effective interventions to be deployed in early childhood, with a focus on school readiness, improving achievement in schools, and future success in employment or further education[4]. Among other findings, the review found that high-quality early childhood education:

- Makes a significant contribution to achieving educational excellence in schools, improving school readiness, and lifts NAPLAN results and PISA scores;
- Has broader impacts; it is linked with higher levels of employment, income and financial security, improved health outcomes and reduced crime. It helps build the skills children will need for the jobs of the future;
- Benefits vulnerable and disadvantaged children more – often substantially so – than their more advantaged counterparts; and
- Concludes by stating that 'funding high-quality early childhood education should be viewed by Governments as an investment, not a cost, and provides a strong return for Governments'.

Thrive by Five asserts that the greatest gain in productivity for Australia in improving our ECEC system will come not from the immediate benefits of allowing parents to work and lifting workforce participation, but from the longer-term gains in human capital that will result in Australian children being better educated happier and healthier adults.

Recommendation:

That the South Australian Government apply an investment mindset to its budget allocation for ECEC, that takes into account short, medium and long term returns as well as costs deferred.

ENGAGEMENT WITH THE ROYAL COMMISSION

Thank you for the opportunity to submit.

Thrive by Five would welcome the opportunity for further engagement.

Please contact Jay Weatherill, Director of Thrive By Five, at [REDACTED] if you have any queries.