Discussion Paper

AUSTRALIA’S EARLY CHILDHOOD DEVELOPMENT SYSTEM

WHAT WE KNOW

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The objective of the Australian Futures Project is to build Australia’s capacity to make decisions for a flourishing shared future in the 2020s and 30s. The Australian Futures Project is a multi-sector, non-profit, and non-partisan initiative hosted by La Trobe University.

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Acronyms

ACECQA  Australian Children’s Education and Care Quality Authority
AEDI   Australian Early Development Index
ARACY  Australian Research Alliance for Children and Youth
CFCs   Children and Family Centres
ECD    Early Childhood Development
ECEC   Early Childhood Education and Care
MCEECDYA  Ministerial Council for Education, Early Childhood Development and Youth Affairs
NP ECE The National Partnership Agreement on Early Childhood Education
NP IECD The National Partnership Agreement on Indigenous Early Childhood Development
NQA    National Quality Agenda (NQA) for Early Childhood Education and Care
NQF    National Quality Framework (NQF) for Early Childhood Education and Care
NQS    National Quality Standard (NQS)
SCSEEC Standing Council on School Education and Early Childhood
WHO    World Health Organisation
UNESCO United Nations Educational, Scientific and Cultural Organisation

Background

Prepared by the Australian Futures Project and The Mitchell Institute for Health and Education Policy for the initiative: ‘System Shift: Learning within the Early Childhood Development System to Move to Greater Impact’. Participating organisations are: Australian Research Alliance for Children and Youth, Australian Futures Project, Benevolent Society, Goodstart Early Learning, Mitchell Institute for Health and Education Policy, and ten20 Foundation. For more information, please email: fiona@australianfutures.org
SUMMARY

There is clear evidence from Australia and overseas that the early years of a child’s life have a profound impact on their future health, development, learning and wellbeing. Research shows investing in resources to support children in their early years of life brings long-term benefits to them and the whole community (Australian Government, 2013). Today, the number of policies, programs, strategies and investments into early childhood development (ECD) is at its highest point ever in Australia’s history. This is a testament to the many organisations and individuals who have dedicated themselves to the health and wellbeing of Australian children. It is also the result of 15 years of intensive reforms. Many of these reforms have focused on seeking to ensure that children start school healthy and ready to learn. In addition, there has been a strong focus on improving the quality of services and this has involved both pedagogical (education) and regulatory sectoral reform. However, the outcomes for children from these policies and investments have been mixed. Ongoing challenges remain. This paper reviews what is known about ECD in Australia, namely:

- ECD has lifelong outcomes
- Australia is lagging behind other countries in delivering outcomes for children
- There are many past, present, and planned initiatives aimed at improving outcomes for Australian children
- We already know what we need to do at a technical level to deliver better outcomes for Australian children
- Funding is only one determinant of success in the ECD system
- To deliver better outcomes for Australian children with current levels of funding, it is more effective to identify and make improvements to the ECD system than to treat symptoms in isolation
- To identify and make improvements to the ECD system, we in the ECD system need to work differently together
- To work differently together, we must build leadership and capability at the individual and organisation levels, which will take time and patience

This paper has been written to inform an initiative called ‘System Shift: Learning within the Early Childhood Development System to Move to Greater Impact’. This is an initiative of the Australian Futures Project, Australian Research Alliance for Children & Youth, Benevolent Society, Goodstart Early Learning, ten20 Foundation and Mitchell Institute for Health and Education Policy. Our shared goal is to reduce the proportion of children identified as developmentally vulnerable on the Australian Early Development Index at age 5 from 22% (2012) to 15% by 2020 (consistent with the Nest National Plan for Child and Youth Wellbeing Action Agenda). Our aim is to build leadership and capability so that the early childhood development (ECD) system as a whole can deliver better outcomes for Australian children.

The initiative has been co-designed around an open but guided process of engagement and convening. It builds on extensive ongoing work across the ECD community as well as consultation and analysis. The initiative brings together parts of the ECD system (broadly defined) to investigate and answer a series of questions focussed both on the “what” (ie, what does the desired future look like?) and the "how" (ie, how the "system" makes decisions and takes action rather than the day-to-day "operational" how). For example:

- What does progress look like?
- What needs to happen to enable progress?
- What is the nature of the challenge / opportunity?
- What are the barriers and levers to achieving progress?
- How will the sector act differently – together and individually?

To facilitate this, the paper looks at what constitutes a system and the different perspectives of the ECD system. It summarises a range of existing goals and actions for the ECD agenda in Australia, making clear that this paper isn’t suggesting duplicating these existing processes or creating a new list of ideas. Instead, the focus is on taking a systems
approach to enabling change, based on the belief that making faster progress towards desired outcomes requires an understanding of the patterns, trends, systemic structures and mental models that drive events in the system.

We suggest that making faster progress towards improved ECD outcomes requires finding ways to work differently – both individually, organisationally and collaboratively. It requires system leadership and courageous implementation. We need leaders willing to disrupt existing patterns by embracing uncertainty and the space for thoughtful conversation and dialogue among participants of the system so that new understanding and insights can be collectively developed. Lastly, individuals and organisations all need to be willing to challenge their own mental models and be open to continuous learning and adaptation. If we are serious about redesigning the system, then we all need to contribute.

1 EARLY CHILDHOOD DEVELOPMENT HAS LIFELONG OUTCOMES

While it is difficult to find a definition of early childhood development (ECD), there is clear evidence from Australia and overseas that the early years of a child’s life have a profound impact on their future health, development, learning and wellbeing. Research shows investing in resources to support children in their early years of life brings long-term benefits to them and the whole community (Australian Government, 2013). These benefits extend throughout a lifetime, well beyond early childhood (Moore and McDonald, 2013). Conversely, developmental concerns that are evident at school entry tend to continue and exacerbate over the primary school years, particularly for poorer children (Goldfeld et al., 2013). They can also have lifelong negative effects in terms of future employment and income, mental and physical health, and social and criminal behaviour (Moore and McDonald, 2013).

2 AUSTRALIA IS LAGGING BEHIND OTHER COUNTRIES IN DELIVERING OUTCOMES FOR CHILDREN

Early childhood development is not only important to the child today, but is also a predictor of future health and human capital (Australian Government, 2013). This makes understanding how children are faring of national significance.
After more than a decade of work, the Australian Government funded the roll-out of the Australian Early Development Index (AEDI) in 2009. The AEDI is a population measure of children’s development as they enter school. It is an adapted version of the Canadian Early Development Instrument. Teachers complete the AEDI Checklists for each child (approximately 100 questions for each child) in their first year of formal full-time school on a web-based data-entry system. Checklists are completed by teachers based on their knowledge and observation of the children in their class, along with demographic information from school enrolment forms (Australian Government, 2013). Data has been collected in 2009 and 2012. In the 2012 data collection, information was collected on 289,973 Australian children in their first year of formal full-time school, representing 96.5 per cent of all Australian children enrolled to begin school in 2012. The five AEDI domains and sub-domains are shown in Figure 1.

2.1 POSITIVE TRENDS

Comparing the results of the 2012 assessment with those of 2009 provides some insight into current ECD trends. There are positive signs. Nationally, a lower proportion of children were developmentally vulnerable across each of the five developmental domains in 2012, with the exception of physical health and wellbeing, which remains unchanged (Australian Government, 2013).

- Approximately one in five (22.0 per cent) children enrolled in their first year of formal full-time school are developmentally vulnerable on one or more domains in 2012, which is down from 23.6 per cent in 2009.
- The percentage of indigenous children who are developmentally vulnerable on one or more domains has decreased from 47.4% in 2009 to 43.2% in 2012.
- The language and cognitive skills domain shows the largest proportional change of any of the five developmental domains between 2012 and 2009, with a significant increase in the number of children who are developmentally ‘on track’ for school between 2009 and 2012. This is illustrated in Figure 2.

Results vary on a State by State basis, as shown in Figure 3 below. It also varies for indigenous and non-indigenous children. Indigenous children are still more than twice as likely to be developmentally vulnerable than non-indigenous children.
**FIGURE 3 PROPORTION OF CHILDREN DEVELOPMENTALLY VULNERABLE, 2009 AND 2012 (AUSTRALIAN GOVERNMENT, 2013).**

<table>
<thead>
<tr>
<th></th>
<th>2009 (%)</th>
<th>2012 (%)</th>
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<tbody>
<tr>
<td><strong>Australia</strong></td>
<td>23.6</td>
<td>22.0</td>
</tr>
<tr>
<td><strong>Sex</strong></td>
<td></td>
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</tr>
<tr>
<td>Male</td>
<td>30.2</td>
<td>28.2</td>
</tr>
<tr>
<td>Female</td>
<td>16.8</td>
<td>15.7</td>
</tr>
<tr>
<td><strong>Indigenous</strong></td>
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<tr>
<td>Indigenous</td>
<td>47.4</td>
<td>43.2</td>
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<tr>
<td>Non-Indigenous</td>
<td>22.4</td>
<td>20.9</td>
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<tr>
<td><strong>State/Territory</strong></td>
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<tr>
<td>New South Wales</td>
<td>21.3</td>
<td>19.9</td>
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<tr>
<td>Victoria</td>
<td>20.3</td>
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<tr>
<td>Queensland</td>
<td>29.6</td>
<td>26.2</td>
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<tr>
<td>Western Australia</td>
<td>24.7</td>
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<tr>
<td>South Australia</td>
<td>22.8</td>
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<tr>
<td>Tasmania</td>
<td>21.8</td>
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<tr>
<td>Australian Capital Territory</td>
<td>22.2</td>
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<tr>
<td>Northern Territory</td>
<td>38.7</td>
<td>35.5</td>
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There are also signs of progress for preschool attendance (see Figure 4 below). In 2011, 85% of children attended a preschool or preschool program before starting school, compared to 72% in 2008 (ARACY, 2013a).

In comparing Australia to other OECD countries, Australia fares well in some areas. For example, Australia is ranked in the top third of OECD countries for 12 out of 46 comparative indicators on child well-being and leads the world in areas such as low youth smoking rates and some educational and employment outcomes (ARACY, 2013a). For the 24 countries for which there was data available, Australia ranks 1st for environmental conditions at home and 2nd out of 22 countries for parental literacy activities at preschool.
2.2 AREAS OF CONCERN

Clearly, improvements have been made and the majority of children are doing well on each of the five AEDI developmental domains. However, there are troubling signs that not all is well for children in Australia, particularly those who are disadvantaged. It is here that significant gaps remain.

- 32% of children living in the most socio-economically disadvantaged Australian communities are developmentally vulnerable on one or more of the AEDI domains (Centre for Community Child Health and Telethon Institute for Child Health Research, 2009).
- 17.5% of these children are developmentally vulnerable on two or more of the AEDI domains (Centre for Community Child Health and Telethon Institute for Child Health Research, 2009).
- The proportion of children enrolled in preschool in the year before full time school is lower for children from low socio-economic backgrounds.
- The National Quality Standards have revealed that low socio-economic status and remote students have a lower quality of care in early childhood than the average (ACECQA, 2013).

For 14 of 46 relevant OECD indicators, Australia is ranked in the bottom third. Areas of concern include jobless families, infant mortality, incidence of diabetes and asthma, young people in education, 3-5 year olds in preschool and carbon dioxide emissions.

In particular, Australia still has low rates of enrolment in early childhood education by international standards (Figure 5). This is particularly significant because developmental concerns that are evident at school entry tend to continue and exacerbate over the primary school years, particularly for poorer children (Goldfeld et al., 2013). This is shown in NAPLAN scores of Year 3 children, for example, where results are significantly higher for those who have attended preschool.

Australia ranks 30th out of 34 OECD member countries for the percentage (%) of children attending preschool or preschool program before starting school (ARACY, 2013a). As described above, this number is improving, but it is still lower than other OECD countries.
Another serious concern is population-wide trends in relation to child abuse. The rate of children on care and protection orders in Australia has almost doubled over the past decade (AIHW, 2012). Child abuse substantiations have also increased over last five years. Rates of reported child abuse and neglect are higher for Indigenous than non-Indigenous children, although rates vary across Australia (Bowes & Grace, 2014). The highest rates of abuse are at younger ages and these rates are increasing (see Figures 6 and 7). The sharpest rise has been in emotional abuse and neglect (see Figure 8).

FIGURE 6. THE INCREASING RATE OF SUBSTANTIATIONS

FIGURE 7. RATE OF SUBSTANTIATIONS FOR ALL AGE GROUPS
3 THERE ARE MANY PAST, PRESENT, AND PLANNED INITIATIVES AIMED AT IMPROVING OUTCOMES FOR AUSTRALIAN CHILDREN

In understanding the ECD system, it is important to understand how the past has helped to shape the present – and how far we have come. There is a long and mixed history that has contributed to the current status of ECD in Australia. Today, the number of policies, programs, strategies and investments in ECD is at its highest point ever in Australia’s history. This is a testament to the many organisations and individuals who have dedicated themselves to the health and wellbeing of Australian children. It is also the result of 15 years of intensive reforms. Many of these reforms have focused on seeking to ensure that children start school healthy and ready to learn. In addition, there has been a strong focus on improving the quality of services and this has involved both pedagogical (education) and regulatory sectoral reform.

The following section presents a brief outline of recent reforms, levels of expenditure and government subsidised programs at a national level. It is by no means complete but serves to provide a brief overview of the current context. The focus is on early childhood education and care, recognising that a range of other areas including health, economy, workforce participation and family related policies and programs have influenced the evolution of the system over time and that this has occurred at local, state and national levels. The Appendix provides more detail on the varied practices, policies, paradigms, participation and pricing that occurred in the past. It also shows some of the swings and roundabouts of public perceptions and policy over time and how far we have come.

3.1 REFORM AGENDA

The policy context shaping the ECD system is strongly influenced by the way that responsibility is divided between the three levels of government (Federal, State/Territory, and local). As Figure 9 shows, many of the functions of ECD, including education, child health and family support, are shared across jurisdictions. This has implications for funding and service delivery as well as the regulatory context.
The past decade has seen a range of reforms occur which have been driven by these jurisdictional differences. Many of these reforms have been underpinned by agreements reached by state, territory and federal governments under the auspices of the Council of Australian Governments (COAG). The aim has been to achieve a greater degree of national consistency and coherence. Two of the most significant reforms were agreed by COAG in 2009, reflecting a broader national reform agenda around early childhood, schooling, tertiary education, employment and workplace relations:

• The National Strategy for Early Childhood Development
• National Quality Agenda (NQA) for Early Childhood Education and Care

3.1.1.1 The National Early Childhood Development Strategy, Investing in the Early Years

The National Early Childhood Development Strategy, Investing in the Early Years, was endorsed by COAG in July 2009 (Davies & Trinidad, 2013). The Strategy involves a collaborative effort between all Australian governments to achieve the vision that, “by 2020 all children have the best start in life to create a better future for themselves and the nation”. This reform agenda was implemented under the Federal Financial Relations Framework (Gonski et al., 2011). The Strategy focuses on how Australia’s ECD system should evolve to better meet the needs of children and families. It specifies seven key outcomes for children and families, detailed in full in Section 4.

The National Early Childhood Development Strategy is the broad ‘umbrella’ for the COAG reform agenda. Falling under this umbrella are key initiatives such as the National Partnership Agreements between the Commonwealth, state and territory governments. The following were both signed in 2009:

• The National Partnership Agreement on Early Childhood Education (NP ECE)
• The National Partnership Agreement on Indigenous Early Childhood Development (NP IECD)

The National Partnership Agreement on Early Childhood Education (NP ECE) gives effect to the Commonwealth Government’s goal of universal access to preschool education by 2013 (Commonwealth of Australia, 2011). This included agreement that, by the end of 2013, every child should have access to a preschool program in the year prior to commencing full time schooling for 15 hours a week, for 40 weeks a year, at a cost that does not restrict access to these services (Productivity Commission, 2013a). The NP ECE was officially endorsed in 2013.
In the **National Partnership Agreement on Indigenous Early Childhood Development (NP IECD)**, all governments have agreed on a shared commitment to improvements in Indigenous child mortality, better access to antenatal care, teenage reproductive and sexual health services, child and maternal health services and integrated child and family services which focus on quality early learning, child care and parent and family support. The NP IECD has three distinct elements:

- Integration of early childhood services through the establishment of 38 Children and Family Centres (CFCs) - the first centre opened in April 2011.
- Increased access to antenatal care, pre-pregnancy and teenage sexual and reproductive health.
- Increased access to and use of maternal and child health services by Indigenous families.

The National ECD Strategy also links with other Commonwealth Government initiatives (Commonwealth of Australia, 2011):

- A six-year National Partnership Agreement on Preventive Health, with a focus on strategies to prevent chronic diseases that commence in early childhood
- National workforce initiatives to improve the quality and supply of the early childhood education and care workforce (including an agreement to waive TAFE fees for those training to be child care workers)
- The National Framework for Protecting Australia’s Children
- a National Family Support Program, which brings together eight Commonwealth programs for children, families and parenting
- Paid Parental Leave arrangements
- The National Plan to Reduce Violence against Women and Children
- The National Framework for Protecting Australia’s Children
- Development of an Early Intervention and Prevention Framework under the National Disability Agreement
- The Home Interaction Program for Parents and Youngsters
- The Australian Early Development Index (teacher-completed checklist of children’s development as they enter school)

### 3.1.1.2 National Quality Agenda (NQA) for Early Childhood Education and Care

Jurisdictional differences, and the high proportion of for-profit providers have also driven a concern for quality. From 1 January 2012, a single national regulatory system was implemented through new national legislation and regulations, utilising a national applied laws approach (Commonwealth of Australia, 2011). This was part of the **National Quality Agenda (NQA) for Early Childhood Education and Care**, agreed under COAG reforms. The NQA builds on previous achievements, including the introduction in 1993 of requirements for providers of long day care (i.e. child care centres) to complete a quality accreditation process known as the Quality Improvement and Accreditation System. Australia was the first country in the world to introduce such a nation-wide system of quality assurance (Tayler et al., 2013).

The NQA encompasses the **National Quality Framework for Early Childhood Education and Care (NQF)**, the **Early Years Learning Framework** (Commonwealth of Australia, 2011). Key requirements of the NQF are being phased in over the period to 2020. Since 1 January 2012, most long day care, family day care, preschool/ kindergarten and outside school hours care services fall within the scope of the NQF.

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1. One jurisdiction (the ‘host’ state) enacts the enabling legislation which is then adopted by other states and territories. Victoria is the ‘host’ jurisdiction for the national legislation (*Education and Care Service National Law Act 2010*, VIC), with other states and territories adopting the legislation by reference to the Victorian Act, except for Western Australia which will enact corresponding legislation (Commonwealth of Australia, 2011). State and territory regulatory authorities are responsible for administering most aspects of the regulation (Productivity Commission, 2013).

2. The Early Years Learning Framework (EYLF) provides parents, carers and educators with an overarching guide to learning and development in the years from birth to age five (Commonwealth of Australia, 2011).
At the national level, reforms have also taken place of overseeing bodies. For example, the Australian Children’s Education and Care Quality Authority (ACECQA), was established to oversee the NQF and is responsible for ensuring consistency of approach across jurisdictions (Productivity Commission, 2013a). ACECQA replaced the existing National Childcare Accreditation Council. ACECQA oversees the nationwide application of the National Quality Standard (NQS). One organisation within each state and territory and oversight from the national body replaced multiple regulators (Commonwealth of Australia, 2011).

Another new overseeing body was also established, called the Standing Council on School Education and Early Childhood (SCSEEC), which met for the first time on 20 April 2012 in Perth. This replaced the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA), which was established in 2009 – and in turn replaced Ministerial Council on Education, Employment, Training and Youth Affairs (Dobozy, 2013).

Figure 10 provides an overview of the current NQA. It should be noted that these structures could change further. In November 2013, the Government commissioned the Productivity Commission to undertake an Inquiry into Child Care and Early Childhood Learning. In the terms of reference, the Productivity Commission was asked to take into account the Government's planned work with the States and Territories to streamline the NQF.

3.2 GOVERNMENT SUBSIDISED PROGRAMS

The types of entities responsible for managing the delivery of an early childhood education and care service include:

- Private not for profit - community managed
- Private not for profit - other organisations
- State and territory and local government managed
- Private for profit

In Australia, child care and early learning is provided through a market service model, where a large number of services are provided for-profit by the private sector (Commonwealth of Australia, 2011). Though some differences exist between
states and territories, long day care services are primarily provided by private, for-profit operators (71%) compared to 26% for community-managed services and only 3% for government managed centres (see Figure 11).

One consequence of this domination by private, for-profit operators is that in order to provide services where the market would otherwise fail to deliver child care, the Commonwealth Government directly funds a range of services (in addition to funding provided directly to families), known as Budget Based Funded (BBF) services. These services are predominantly in rural, remote and Indigenous communities, which generally include children vulnerable to poor life outcomes.

The Budget Based Funded (BBF) Programme is an element of the Community Support Programme, under the broader Child Care Services Support Programme. It provides a contribution to the operational costs of approximately 340 early education, child care and school age care services in approved locations. The BBF Programme has recently reviewed and some changes are being made. At present, BBF services include (Commonwealth of Australia, 2011):

- **Multifunctional Aboriginal Children’s Services (MACS):** community-based services funded to meet the educational, social and developmental needs of Aboriginal and Torres Strait Islander children. Long day care is provided for below school age children with each MACS providing at least one other form of child care or activity such as outside school hours care, playgroups, nutrition programs and/or parenting programs.

- **Mobile child care services (Mobiles):** visit rural and remote areas and may provide flexible children’s sessions, including playgroups, vacation care, on-farm care, parenting support, toy and video lending libraries, and parent resource library services. Mobile child care services provide children with an opportunity to socialise with other children and participate in early childhood education opportunities that would not otherwise be available to them.

- **Indigenous playgroups:** provide children not yet attending school with a wide range of culturally appropriate developmental, educational and socialisation activities that are relevant to the local community. The social and educational development aims to prepare children for preschool, school and relationships within the wider community. Playgroups also provide an opportunity for families to support each other and share common experiences.

- **Indigenous outside school hours care and enrichment programs:** provide care for Indigenous school children and teenagers. Enrichment programs operate from a community venue and may provide supervised care, organised activities, homework centres and nutrition services.
• **Crèches**: a flexible form of child care where other forms of child care are not available. Crèches are centre-based and operate with flexible hours. Crèches offer culturally appropriate child care programs and provide families with an introduction to early learning and child care opportunities. Crèches established before 2008 are known as ‘JET (Jobs, Education and Training) crèches’, which were set up to assist eligible unemployed parents wanting to undertake study, work or job search activities to help them enter or re-enter the workforce. New crèches offer child care services to a broader group of clients.

• **Flexible/innovative services**: provide flexible early childhood education and care to families living in rural and remote communities with dispersed populations, where quality child care may not be available or is not suited to local circumstances. A flexible/innovative child care service may include OSHC, LDC, OCC, mobile multipurpose services, on-farm care, multi-sited child care, and overnight care. Innovative services assist families and communities where conventional mainstream services do not meet their particular needs.

Under Family and Children’s Services, activities being delivered include (Department of Social Services, 2014):

• **Communities for Children Services** - prevention and early intervention services to families with children up to the age of 12.
• **Community Playgroups** - support parents with children aged zero to five.
• **Family and Relationship Services** - primarily ad hoc or whole of family focussed early intervention and prevention services providing assistance with family relationship issues at all stages (including Family Law Counselling), education and broader parenting support, especially at times of transition.
• **Specialist Services** - support to vulnerable families affected by issues such as drugs, violence and trauma. They consist of: Specialised Family Violence Services (SFVS); Kids in Focus – Family Drug Support; and Family Relationship Services for Humanitarian Entrants.
• **Royal Commission Community-based Support Services** provide support to people affected by the Royal Commission into Institutional Responses to Child Sexual Abuse.
• **Find & Connect** support services provide information, support and counselling to Forgotten Australians and Former Child Migrants.
• **Intensive Family Support Services** - a family support service which provides the most vulnerable families access to evidence-based, intensive parenting support in their homes and communities and assists the development of parenting skills that improve the safety, health, education and wellbeing of their children.

One example listed above is the Communities for Children program. The focus is on prevention and early intervention to bring about positive family functioning, safety and child development outcomes for children and their families in disadvantaged communities throughout Australia (Department of Social Services, 2014). The following activities are delivered under Communities for Children:

• **Communities for Children Facilitating Partner Services**: develop and facilitate a whole of community approach to support and strengthen local service networks that contribute to child safety.
• **Communities for Children Direct Services**: provide activities directly to individual services to deliver early intervention and prevention family support, tailored to the needs of the local community. Services are family focused and child centred, focusing on children 0-12 years and for some services, adolescents up to 18 years of age. An example includes *Through the Looking Glass: a partnership in parenting project*.

Under the Stronger Families and Communities Strategy, the Australian Government provided $142 million over four years from 2004-05 for the Communities for Children initiative which aimed to help children under five get the best possible start in life by providing practical assistance to their families and communities. The initiative provided funding to sites across Australia. In each site, a lead Non-Government Organisation works in collaboration with service providers, community members, community organisations, business and all levels of government to develop and implement a strategic plan and an annual service delivery plan tailored to community needs.
3.2.1.1 Programmes for Indigenous families

In recent years there has been an increase in the number of Aboriginal and Torres Strait Islander children attending mainstream early learning and child care services. This trend is positive and will help to continually develop and deliver culturally appropriate programmes within mainstream services, and contribute to a positive start for these children. While not all Aboriginal and Torres Strait Islander children and families are vulnerable, high numbers of Indigenous people are represented in vulnerable groups. Historically, vulnerabilities of Indigenous children have been compounded by difficulty in accessing necessary services. As mentioned above, in recognising the importance of ECD for all children, including Aboriginal and Torres Strait Islander children, the Australian Government provides funding for the operation of early learning and child care services in locations where the market would not normally be viable, particularly in Indigenous, regional and remote communities. Government funding also focuses on improving health for Aboriginal and Torres Strait Islander mothers and babies (Australian Government, 2012). This includes the Budget Based Funded (BBF) Programme and the Inclusion and Professional Support Programme, which offers specialist support to help child care services to include an Indigenous child (or a child from any culturally and linguistically diverse background) into care. In the Northern Territory, under the Stronger Communities for Children (SCIC) Program, the Australian Government is expanding the Communities for Children program to an additional 15 communities over coming years. It currently exists in four communities in the NT - at Palmerston/Tiwi Islands, East Arnhem, Alice Springs and Katherine.

3.2.1.2 Programmes for children with disabilities

There are also Commonwealth funded programs for children with specified disabilities, such as the Special Childcare Benefit. There is also the Better Start for Children with Disability (Better Start) initiative. Better Start includes up to $12,000 in funding for early intervention services and treatments for eligible children and Medicare rebates for the health diagnostic/assessment services and treatment and management plans for eligible children up to the age of 13. Eligibility for Better Start used to be limited to a small range of diagnosed conditions including autism. It was recently expanded to children with sight and hearing impairments, cerebral palsy, Down syndrome and Fragile X syndrome. It is now available to eligible children who are aged under six years and have been diagnosed with:

- Down syndrome
- Cerebral palsy
- Fragile X syndrome
- A moderate or greater vision or hearing impairment
- Prader Willi syndrome
- Williams syndrome
- Angelman syndrome
- Kabuki syndrome
- Smith-Magenis syndrome
- CHARGE syndrome
- Cornelia de Lange syndrome
- 'Cri du Chat' syndrome
- Microcephaly or
- Rett's Disorder

The new National Disability Insurance Scheme (the Scheme) will also provide support for people with permanent and significant disability, their families and carers. For children, the Scheme will fund early intervention support that improves a child’s functional capacity, or prevents deterioration of functioning. This includes early interventions and allied health or other therapies, such as speech therapy or physiotherapy. It also includes individualised support to enable a child to attend an early learning service, but only in situations where a child has very complex care needs that are beyond a reasonable expectation for early learning services to provide themselves. The Scheme will not be able to fund support for which the early childhood or health system is responsible, even if the early childhood or health system does not provide it (NDIS, 2014).
3.2.1.3 Parenting and in-home oriented programmes

There is also a range of parenting and in-home focused programs. As mentioned above, under the Communities for Children Direct Services, programs such as ‘Through the Looking Glass’ provide assistance to families where there is an identified difficulty in the attachment relationship between the parent and child/children.

Another example is the Home Interaction Program for Parents and Youngsters (HIPPY). HIPPY is a two-year home-based parenting and early childhood enrichment programme that aims to empower parents and carers to be their child’s first teacher and to create a positive learning environment to prepare their child for school. More than $100 million has been committed to HIPPY to support ongoing programme delivery in 50 mainstream locations and expand the programme to an additional 50 locations, with an emphasis on Aboriginal and Torres Strait Islander communities. Twenty-five new locations are due to start programme delivery in 2014 with the remaining 25 locations expected to start in 2015. From 2015, HIPPY will be operating in 100 locations across Australia, targeting around 2350 children (aged four years old) each year. The Brotherhood of St Laurence has exclusive licensing rights from HIPPY International to run the programme in Australia. They are responsible for managing the implementation of the national roll-out and have sub-licence arrangements with other not-for-profit organisations to deliver the programme to selected communities (Commonwealth of Australia, 2012).

For the sake of brevity, this paper has focused on policies and developments relating to early childhood education and care at the national level. Many of these reforms have focused on seeking to ensure that children start school healthy and ready to learn (Gonski et al., 2011). As noted above, there has been a strong focus on improving the quality of services and this has involved both pedagogical (education) and regulatory sectoral reform (Productivity Commission, 2011). However, ongoing challenges remain, particularly in relation to quality (structural, process\(^3\)) and access (supply, affordability, coverage). In addition, the overlapping roles of the different levels of government and the sheer number of programmes and services delivered pose added complications in identifying ways to improve ECD outcomes for Australian children.

4 WE ALREADY KNOW WHAT WE NEED TO DO AT A TECHNICAL LEVEL TO DELIVER BETTER OUTCOMES FOR AUSTRALIAN CHILDREN

A great deal of work has already been done on setting goals and actions for the ECD agenda in Australia. Processes such as those run by ARACY (resulting in the Nest Action Agenda) and the Productivity Commission (including the Early Childhood Development Workforce report in 2011 and the current Inquiry into Childcare and Early Childhood Learning) have resulted in clear priorities and action areas being identified (Productivity Commission, 2011; ARACY, 2013b; Productivity Commission, 2013a). Taking that context as a “given”, we focus in the following section (8) on actions that, at a systemic level, have the potential to make a difference. Firstly, some examples of goals and action plans are provided in Table 1 and 2 below.

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3 Structural components of quality refer to quantifiable features such as: numbers and qualification of staff; staff to child ratios; and health, safety and physical space. Process components refer to those features which are concerned with the quality of the program actually experienced by the child during the day such as: the responsiveness of the environment (and the program) to children’s and families’ individual needs and preferences; the way in which staff interact with children and families; and the way children experience daily routines.
# TABLE 1 GOALS/VISIONS FOR EARLY CHILDHOOD DEVELOPMENT

<table>
<thead>
<tr>
<th>ORGANISATION / PROGRAM</th>
<th>SOURCE</th>
<th>GOAL / VISION</th>
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</table>
| National Early Childhood Development Strategy               | (Commonwealth of Australia, 2009)            | By 2020 all children have the best start in life to create a better future for them and for the nation:  
1. children are born and remain healthy  
2. children’s environments are nurturing, culturally appropriate and safe  
3. children have the knowledge and skills for life and learning  
4. children benefit from better social inclusion and reduced disadvantage, especially Indigenous children  
5. children are engaged in and benefiting from educational opportunities.  
6. families are confident and have the capabilities to support their children’s development  
7. quality early childhood development services that support the workforce participation choices of families. |
| National Partnership Agreement on Early Childhood Education (NP ECE) | (COAG, 2009b)                              | Children have access to the support, care and education throughout early childhood that equips them for life and learning, delivered in a way that actively engages families and communities, and meets the workforce participation needs of parents. |
| National Partnership Agreement on Indigenous Early Childhood Development (NP IECD) | (COAG, 2009a)                              | 1. Indigenous children are born and remain healthy;  
2. Indigenous children have the same health outcomes as non-Indigenous children;  
3. Indigenous children acquire the basic skills for life and learning; and  
4. Indigenous families have ready access to suitable and culturally inclusive early childhood and family support services. |
| Nest Action Agenda                                           | (ARACY, 2013b)                              | All young people are loved and safe, have material basics, are healthy, are learning and participating and have a positive sense of identity and culture - Measured by Australia being consistently placed in the top third of OECD countries for comparable indicators of child and youth wellbeing, with the target of 50% of indicators in the top third by 2025 (currently 26%)  
1. Reduce percentage of children identified as developmentally vulnerable on the AEDI to 15% by 2020.  
2. Make Australia rank within the top 5 OECD countries for educational performance by 2025.  
3. Make Australia rank within the top 5 OECD countries for physical health outcomes by 2025.  
4. Make Australia rank within the top 5 OECD countries on the UNICEF measures for social and emotional wellbeing by 2025.  
5. Develop and formalise national structures and frameworks for implementing and evaluating children and young people’s participation.  
6. Ensure Australia ranks as one of the top 5 OECD countries with the lowest percentage of children (0-15 yrs) in relative poverty by 2025. |
| Early Childhood Australia                                   | (Early Childhood Australia, 2014a)          | Every young child is thriving and learning.                                                                                                                                                                 |
As is evident from Table 1, there are a range of common and overlapping themes. The most common elements include that children:

- Are born and remain healthy
- Have material basics
- Develop within nurturing, supportive, loving and safe environments
- Are equipped with knowledge and skills for life and learning
- Have a positive sense of identity and culture
- Participate in - and are included in – society

**TABLE 2 ACTION PLANS FOR EARLY CHILDHOOD DEVELOPMENT**

<table>
<thead>
<tr>
<th>ORGANISATION / PROGRAM</th>
<th>SOURCE</th>
<th>RECOMMENDED ACTIONS / PRIORITY AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Early Childhood Development Strategy</td>
<td>(Commonwealth of Australia, 2009)</td>
<td>1. support for children, parents, carers and communities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. responsive early childhood development services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. workforce and leadership development</td>
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<td></td>
<td></td>
<td>4. quality and regulation</td>
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<td></td>
<td></td>
<td>5. infrastructure</td>
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<td></td>
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<td>6. governance and funding</td>
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<td></td>
<td></td>
<td>7. knowledge management and innovation</td>
</tr>
<tr>
<td>National Quality Agenda (NQA) for Early Childhood Education and Care</td>
<td>(COAG, 2013)</td>
<td>1. deliver an integrated and unified national system for early childhood education and care and Outside School Hours Care (OSHC), which is jointly governed and which drives continuous improvement in the quality of services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. improve educational and developmental outcomes for children attending early childhood education and care and OSHC services under the National Quality Agenda</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. foster a joint system of governance to allow the perspective of all jurisdictions to be taken into account in the operation of the National Quality Framework where there is shared responsibility for the regulation of quality in early childhood education and care and OSHC services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. improve the efficiency and cost effectiveness of the regulation of early childhood education and care and OSHC services</td>
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<tr>
<td></td>
<td></td>
<td>5. reduce regulatory burden for early childhood education and care and OSHC care service providers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6. improve public knowledge about and access to information about the quality of early childhood education and care and OSHC care services to parents, carers and the general public to help inform their choices about the quality of education and care provided to their children</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7. build a highly skilled workforce.</td>
</tr>
<tr>
<td>ORGANISATION / PROGRAM</td>
<td>SOURCE</td>
<td>RECOMMENDED ACTIONS / PRIORITY AREAS</td>
</tr>
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<td>----------------------------------------------------------</td>
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<tr>
<td>National Partnership Agreement on Early Childhood Education (NP ECE)</td>
<td>(COAG, 2009b)</td>
<td>1. deliver universal access and develop the agreed data for performance measurement; 2. remove barriers to participation in a preschool program, including ensuring cost is not a barrier (especially for Indigenous and disadvantaged children, including remote Indigenous children) and provision is in a form that is convenient for all families, including the needs of working families; 3. work across inter-agency and sectoral boundaries, including with non-government providers of early childhood services such as community, not-for-profit and for-profit providers, to support early childhood education and care; and 4. undertake further work on: (i) streamlined regulatory and quality systems to support the provision of early childhood education and care; and (ii) a national early years workforce strategy and subsequent action plans.</td>
</tr>
<tr>
<td>National Partnership Agreement on Indigenous Early Childhood Development (NP IECD)</td>
<td>(COAG, 2009a)</td>
<td>1. establishment of a minimum of 35 Children and Family Centres established in urban, regional and remote areas with high Indigenous populations and disadvantage, commencing operations progressively from June 2010; 2. provision of early learning, child care and parent and family support services to Indigenous families at or through each of the Children and Family Centres; 3. increased provision of antenatal care services targeted at young Indigenous women, as agreed in the Implementation Plans; 4. increased provision of sexual and reproductive health services to Indigenous teenagers, as agreed in the Implementation Plans; and 5. increased provision of maternal and child health services for Indigenous children and their mothers, as agreed in Implementation Plans.</td>
</tr>
<tr>
<td>Nest Action Agenda</td>
<td>(ARACY, 2013b)</td>
<td>1. Improving early childhood learning and development 2. Improving the educational performance of young Australians 3. Improving the physical health of young Australians 4. Improving the social and emotional wellbeing of young Australians 5. Promoting the participation of young Australians 6. Reducing disadvantage arising from income disparity</td>
</tr>
<tr>
<td>Early Childhood Australia</td>
<td>(Early Childhood Australia, 2014b)</td>
<td>1. The best interests of children are put at the centre of the early childhood education and care system. 2. Reforms and ongoing improvements to the ECEC system are informed by the views of children, as well as their families, with support from the National Children’s Commissioner. 3. The vision for early childhood education continues to be that ‘all children have the best start in life to create a better future for themselves and for the nation’. 4. That an outcomes framework be developed for the ECEC system to measure the impact of higher quality programs at the individual and system level. 5. Maintain a national commitment to quality ECEC, acknowledging the strong research evidence for determinants of quality including: a) the qualifications required of staff; b) numbers of qualified staff; c) staff to child ratios; d) requirements regarding group size, health, safety and physical space. 6. Develop best practice guidance to drive improvements in physical learning environments for early childhood education and outside school hours care. 7. Increase public education on the determinants of quality in ECEC to assist family decision-making and support better informed social discourse. 8. Continue workforce development initiatives where they are still needed and proving effective and consider listing the Early Childhood Diploma qualification on</td>
</tr>
<tr>
<td>ORGANISATION / PROGRAM</td>
<td>SOURCE</td>
<td>RECOMMENDED ACTIONS / PRIORITY AREAS</td>
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<tr>
<td></td>
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<td>the Skilled Occupation List.</td>
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<tr>
<td>9.</td>
<td></td>
<td>That regional early childhood networks be established across Australia to enhance leadership and development opportunities in collaboration with other services.</td>
</tr>
<tr>
<td>10.</td>
<td></td>
<td>Support the continued implementation and refinement of the National Quality Framework (NQF) to provide certainty to the sector and ensure ongoing quality improvement.</td>
</tr>
<tr>
<td>11.</td>
<td></td>
<td>Maintain support for the sector to implement the National Quality Standard (NQS) through sector development, workforce development and professional development initiatives.</td>
</tr>
<tr>
<td>12.</td>
<td></td>
<td>Undertake thorough research to quantify the cost of quality and other cost drivers, ensuring that any strategies to reduce cost would actually have an impact on fees.</td>
</tr>
<tr>
<td>13.</td>
<td></td>
<td>Ambitious targets should be agreed at COAG to improve access to ECEC for children, specifically to: a) meet the current universal preschool access targets in the short term; b) set a target for 90 per cent of children aged between three years and school age attending ECEC for at least 30 hours per week for the medium to long term.</td>
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<tr>
<td>14.</td>
<td></td>
<td>Establish a new data collection system to monitor participation against agreed targets.</td>
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<tr>
<td>15.</td>
<td></td>
<td>Invest in further evaluation and development of integrated service models for communities affected by social and economic disadvantage.</td>
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<tr>
<td>16.</td>
<td></td>
<td>Look carefully at the proposals for investment reform outlined in Professor Brennan’s report on early childhood education and care financing, including the proposed model for a single (early learning) subsidy to replace CCB and CCR that is progressive in targeting more support to low and middle income families while continuing to provide some support to all families using quality assured services.</td>
</tr>
<tr>
<td>17.</td>
<td></td>
<td>Significant reform is needed to the way in which the federal government invests in early childhood education and care in order to: a) simplify the system for parents and reduce up-front out-of-pocket expenses; b) reduce or discourage price inflation and improve transparency; c) remove structural problems in the current system where possible; d) adopt an appropriate model for indexation that ensures investment keeps pace with real costs.</td>
</tr>
<tr>
<td>18.</td>
<td></td>
<td>Review the Special Child Care Benefit to make sure it is meeting its original objectives to support children at risk.</td>
</tr>
<tr>
<td>19.</td>
<td></td>
<td>Early childhood education and care warrants continued government investment to support quality in service delivery and affordability for families.</td>
</tr>
<tr>
<td>20.</td>
<td></td>
<td>All forms of early childhood education and care that are eligible for government support or subsidy should be incorporated into the National Quality Framework (including in-home care, preschool, kindergarten, mobile services and multipurpose/integrated services) to ensure the investment contributes to positive outcomes for children.</td>
</tr>
<tr>
<td>21.</td>
<td></td>
<td>Review policy interaction and relative priorities for investment across paid parental leave, family payments and ECEC.</td>
</tr>
<tr>
<td>22.</td>
<td></td>
<td>Address supply issues in ECEC, through: a) federal government data collection and analysis to provide accurate information on demand trends, ultimately through the development of predictive models; b) state government commitment to increasing the delivery of outside school hours care in appropriate facilities on school grounds; c) local government planning and problem solving; d) capital investment to support not-for-profit operators to set up new services and/or expand existing services in areas of high or predicted unmet need, through free or low interest loans or greater access to publicly owned facilities (local/state or federal government owned facilities).</td>
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<tr>
<td>23.</td>
<td></td>
<td>Maintain and expand support for increased flexibility through: a) flexibility trials in long day care and family day care; b) exemptions to minimum opening hours.</td>
</tr>
</tbody>
</table>
under CCB approval requirements for services in regional areas where demand is variable across the week, month or year.

24. Continue to invest in integrated services and service coordination to better address the needs of families and communities affected by disadvantage.

25. Invest long-term in services operated by Aboriginal and Torres Straits Islander communities and build their capacity to meet the NQS while providing holistic, integrated services to families and children.

26. Build the capacity of the early childhood education and care system to be responsive to the needs of children with a disability, through: a) increasing the Inclusion Support Subsidy which takes into account the decline in the rate of the ISS over time (in real terms) and the cost of employing an educator; b) extending the Teenagers with a Disability Outside School Hours Care program (funded through DSS).

Like Table 1, it is also possible to find common and overlapping themes in Table 2. Without wanting to duplicate the above table too much, it is worth summarising these common elements. The following appear to be most prevalent:

**Access**

- Improve the efficiency and cost effectiveness of the regulation of early childhood education and care
- Remove barriers to participation in a preschool program, including ensuring cost is not a barrier
- Reduce disadvantage arising from income disparity
- Build the capacity of the early childhood education and care system to be responsive to the needs of children with a disability

**Community Support**

- Provide support for children, parents, carers and communities
- Improve public knowledge about and access to information about the quality of early childhood education and care

**Infrastructure**

- Develop best practice guidance to drive improvements in physical learning environments for early childhood education and outside school hours care

**Integration**

- Deliver an integrated and unified national system for early childhood education and care
- Invest in further evaluation and development of integrated service models for communities affected by social and economic disadvantage

**Governance**

- Work across inter-agency and sectoral boundaries to support early childhood education and care
- Create a joint system of governance in the operation of the National Quality Framework
Knowledge

- Undertake thorough research to quantify the cost of quality and other cost drivers, ensuring that any strategies to reduce cost would actually have an impact on fees.
- Establish a new data collection system to monitor participation against agreed targets.
- Develop the agreed data for performance measurement under the National Quality Agenda

Quality

- Improve educational and developmental outcomes for children under the National Quality Agenda

Regulation

- Reduce the regulatory burden for early childhood education and care service providers by streamlining regulatory and quality systems

Workforce

- Build a highly skilled workforce through workforce and leadership development

As we can see, we already know what we need to do at a technical level to deliver better outcomes for Australian children. The challenge is acting on what we know. Comprehensive action is beyond the capacity of any single organisation. Likewise, there is no single right approach and disagreements exist about the best way to proceed. However, as is discussed in the following sections, this does not have to be a barrier to improvement or success and solutions will need to evolve as implementation reveals new insights into the problems and challenges.

5 FUNDING IS ONLY ONE DETERMINANT OF SUCCESS IN THE ECD SYSTEM

Since 2000, when the Government removed direct services subsidies, known as operational subsidies, to non-profit long day care and outside school hours care, the preference has been to subsidise families rather than provide direct government support to services (Press & Hayes, 2000). This means that funding for child care is largely provided directly through rebates and subsidies to families, rather than to service providers. In 2012, there were 19,400 child care and early learning services and over 50% of 2-4 year olds attended approved child care (Productivity Commission, 2013a). This was a significant increase from 16,000 ECEC services operating in Australia in 2009-10 (Productivity Commission, 2011). The number of long day child care services in Australia increased by 46% in the decade to 2011-12. On a per child basis, funding for child care has reached an all-time high. The level of State / Territory and Commonwealth expenditure from 2004 to 2012 (in the resident population) is shown in Figure 12.
Over the period 2003-04 to 2012-13, support provided via the Child Care Benefit (CCB) and the Child Care Rebate (CCR) totalled $28 billion. By 2016-17, government expenditure on CCB and CCR is forecast to be around $6 billion per year and rising (Productivity Commission, 2013a). This includes an increase of $303 million in the year 2013-14, reflecting a higher than expected utilisation of child care (Hockey & Cormann, 2013).

According to the OECD, despite historically high levels of funding, Australia’s expenditure on early childhood education is below the OECD average (see Figure 13). However, these figures can be misleading as this doesn’t take into account spending on child care. If $6 billion per year were being spent directly with families on CCB and CCR then, assuming an annual GDP of approximately $1.5 trillion (ABS, 2014), this would equate to 0.4% of GDP. At 0.4%, Australia would be much closer to the OECD average.
Arguments for increasing levels of investment in early childhood programs often draw upon the widely cited modelling by Heckmann, which suggests the marginal returns on educational investment in early childhood are potentially high (Heckman, 2008). Shown in Figure 14, it models the returns to a unit dollar invested at different ages from the perspective of the beginning of life, assuming one dollar is initially invested at each age.

We cannot rely on additional funding to do the things we know we need to do at a technical level, even if additional funding is desirable (see, eg, Commission of Audit, 2014). Firstly, it is unlikely that significant new funding from government will be dedicated to ECD over the next 10 years. Secondly, even if more funding were available, funding is only one determinant of success in the ECD system. It is therefore important to work hard on the other determinants of success, whether or not additional funding is available. Finally, even with the same amount of money, it is possible to do things differently, raising the question of how to better deploy existing resources more effectively.
6 TO DELIVER BETTER OUTCOMES FOR AUSTRALIAN CHILDREN WITH CURRENT LEVELS OF FUNDING, IT IS MORE EFFECTIVE TO IDENTIFY AND MAKE IMPROVEMENTS TO THE ECD SYSTEM THAN TO TREAT SYMPTOMS

Improving systems requires an understanding of systems. A system is a group of parts that function as a whole. A simple system has relatively stable and has straightforward cause-and-effect relationships. A complex adaptive system is dynamic, self-organising and constantly adapting to change. A complex adaptive system exists within other interdependent systems and is driven by interactions between system components and governed by feedback. Its complexity comes from these patterns of interactions. Changes in one part of the system can cause changes in other parts of the system, often in nonlinear and unpredictable ways. The whole is more than the sum of its parts.

‘Systems thinking’ is a way to see the world that looks beyond individual parts to the interactions and patterns that characterise the whole. This means not only considering the major components of the system, but also the interactions between these components and how these change the system (Ollhoff & Wachesci, 2002; Chapman, 2004; Best & Holmes, 2010). In the context of Australia’s decision making system, we can conceptualise the components of the system as Actors (formal and informal), which can be diverse (such as those in Figure 15 below) and how their interactions are influenced by factors such as:

- **Relationships** (eg, reflected in networks, values, trust, engagement, power, leadership)
- **Structures** (eg, laws, regulations, institutional rules, social norms and mores)
- **Processes** (eg, agenda-setting, decision-making, policies, implementation)
- **Resources** (eg, skills, data, knowledge, money, technology, time)

**FIGURE 15. AUSTRALIA’S DECISION MAKING SYSTEM (AUSTRALIAN FUTURES PROJECT, 2013)**

This is only one way of conceptualising what ‘the system’ looks like. We each experience and understand the system in different ways – which makes collaboration and dialogue so important when working in a complex system.
When thinking about ECD in Australia, we can use this concept of systems to inform our understanding of the system at multiple levels. We can consider the linkages between ECD and the broader national decision making system, as well as how the interactions between actors, processes, relationships and structures shape the ECD system itself. Again, it is important to emphasise that systems thinking is about attempting to understand the whole, not just the sum of the parts. It isn’t about creating a perfect model of the system. It is about understanding how linkages and interactions between sectors, multiple levels of government, policymakers, businesses, regulators, researchers, funders, service providers, families and children all create feedback loops and ever-evolving dynamics that results in the system we have today, the way it works and the impacts it has.

6.1 THE EARLY CHILDHOOD DEVELOPMENT SYSTEM

It is difficult to find a definition of ECD. The United Nations Educational, Scientific and Cultural Organisation (UNESCO) defines early childhood as the period from birth to eight years old (UNESCO, 2013) but does not define ECD. The World Health Organisation (WHO) defines early childhood slightly differently - as from prenatal to 8 years of age – but does not provide a definition of ECD either (WHO, 2014). The National Early Childhood Development Strategy also doesn’t define ECD, but it does have a vision that “by 2020 all children have the best start in life to create a better future for them and for the nation” (Commonwealth of Australia, 2009).

What is more common are illustrations and frameworks that conceptualise the overall ECD system. Again, not everyone takes the same approach. Different organisations and actors tend to emphasise different components of ECD depending on their priorities. Some have framed it around how the child experiences the system, while others have focused on policy and institutional structures and the services provided that are external to the home. Some focus on the importance of quality and children’s development while others may emphasise providing a safe place for the care of children of working parents. In section 6.1, examples of different priority areas are shown. Differences in perspectives between experts and the general public are also shown in section 6.2.

6.1.1.1 Priorities

Health is a clear priority for the WHO. While not strictly defining ECD, they refer to brain and biological development in the first years of life and that this depends on the quality of stimulation in the infant’s environment—at the level of family, community, and society (WHO, 2009). According to WHO, ECD is a social determinant of health (see Box 1).

In a report for WHO, Irwin et al. (2007) also fail to define ECD, but they state that healthy ECD (physical, social, emotional, language and cognitive development) is fundamental to success and happiness not only for the duration of childhood, but throughout the course of life. They created a schematic (Figure 16) to show the variety of interacting and interdependent spheres of influence that are instrumental for development in early childhood. This includes the individual, family and dwelling; residential and relational communities; ECD programmes and services; and regional, national and global environments. In each sphere of influence, social, economic, cultural and gender factors affect its ‘nurturing qualities’.
BOX 1. EARLY CHILD DEVELOPMENT AS A SOCIAL DETERMINANT OF HEALTH (WHO, 2014)

- Addressing ECD means creating the conditions for children prenatal to 8 years to thrive equally in their physical, social/emotional, and language/cognitive development.
- Safe, cohesive, child-centred neighbourhoods, communities, and villages matter for ECD.
- To improve the state of ECD, global communities need to improve the conditions for families to nurture their children by addressing economic security, flexible work, information and support, health and quality child care needs.
- Barriers of access to programs and services that have been demonstrated effective in supporting physical, social/emotional, language/cognitive development for ECD need to be removed.
- Children require stimulating, supportive and nurturing care when their parents are not available. High quality child care and early childhood education can improve children’s chances for success in later life.
- ECD is a cornerstone of human development and should be central to how we judge the successfulness of societies.
- Measuring the state of ECD with a comparable approach worldwide will provide a way for societies to judge their success.

FIGURE 16 ECD SCHEMATIC (IRWIN ET AL., 2007)
6.1.1.2 Policy and service delivery

It is interesting to compare the schematic above with that of the National Early Childhood Development Strategy. The Strategy is focused on policy implementation and institutional structures that are recommended as essential for an effective ECD system. This is reflected in the illustration (Figure 17), which includes a similar outer layer to Figure 16, with the broader ‘environments’ providing context. However, more detail is provided around policy areas such as governance, infrastructure and the ECD workforce. Both the broader context and the placement of the child at the centre reflect the influence of Urie Bronfenbrenner and his ecological model of child development. He argued that in order to understand human development, one must consider the entire ecological system in which growth occurs. This system is composed of five socially organised subsystems, which help support and guide human growth. They range from the microsystem, which refers to the relationship between a developing person and the immediate environment, such as school and family, to the macro system, which refers to institutional patterns of culture, such as the economy, customs, and bodies of knowledge (Bronfenbrenner, 1994).

FIGURE 17. ELEMENTS OF AN EFFECTIVE EARLY CHILDHOOD DEVELOPMENT SYSTEM (COMMONWEALTH OF AUSTRALIA, 2009)

Similar to Figures 2 and 3, with the child at the centre, is the Nest action agenda. It takes a ‘whole of child’ approach in conceptualizing ECD (see Figure 18). Its focus on ‘a good life’ is derived from consultations with Australian stakeholders.
Figure 19, by the Productivity Commission, is a very different conceptualisation of the system. Its sole focus is on the out-of-home environment, essentially the delivery component of ECD related services rather than family based care or experiences.

**FIGURE 18 AREAS AND THEMES CONTRIBUTING TO ‘A GOOD LIFE’ (ARACY, 2013A).**

**FIGURE 19 THE EARLY CHILDHOOD DEVELOPMENT SECTOR (PRODUCTIVITY COMMISSION, 2011)**

- Early childhood development (ECD) sector
  - Early childhood education and care
    - Preschool
  - Child health services
    - Long day care
    - Occasional Care
    - Family day care
  - Family support services
    - Outside school hours care

*Integrated services: coordinated interdisciplinary provision of ECD services*
As stated above, we each experience and understand the system in different ways. What these different illustrations tell us is that there are many ways to see the system, as well as co-existing and sometimes conflicting perspectives about what defines ECD.

6.1.1.3 Perspectives

Being aware of the framing and assumptions we make about ECD is as important in understanding the system as knowing the structural or institutional components that are within it. An example is taken from recent research conducted for the Centre for Community Child Health by the FrameWorks Institute. The FrameWorks Institute investigated conceptual challenges faced by communicators in translating the science of ECD and mental health in the Australian context. This research explored the ‘mental landscape’ of ECD and found that important differences in perspective exist between early childhood education experts and the public (Bales & Kendall-Taylor, 2014). Also documented were the different cultural models that everyday Australians use to think about issues related to ECD. Some of the most prevalent and highly shared patterns of understanding among ordinary Australians included:

- **The Aging Up model**: The tendency to quickly refocus conversations about early childhood to discuss later childhood and early adolescence.
- **The Threat Of Modernity model**: the assumption that children today are struggling and suffering because the country (and families) is no longer what it used to be.
- **The Family Bubble model**: focus on development at the family level at the exclusion of other factors and agents that influence family dynamics and affect a child’s development.
- **The Fill It Up model**: an assumption that development is about a child soaking up knowledge and information in a highly passive way.
- **The Separate Influences model**: perceives genes and environments as each influencing separate outcomes in discrete ways, not interacting with each other
- **The Bubble Wrap model**: The assumption that positive development is fundamentally a protective and insulating (rather than an enriching) endeavour.
- **The Child Care = Babysitting model**: the assumption that child care is a place to put children so that parents can go to work, and that not sending children to child care is always preferable to putting them into the care of someone other than their mother.
- **The Development = Learning model**: understanding development as a process fundamentally about learning, especially learning morals, self-discipline, social skills and, self-reliance.
- **The Stretch But Not Break model**: development is fundamentally about learning, and that learning entails a process of challenging children and pushing them just out of their comfort zone, all while adults provide support and guidance.
- **The Medicalization Of Childhood model**: a strong anti-science sentiment in which people see childhood as being threatened by a myriad of new medical diagnoses, and the over-prescription of pharmacological drugs.
- **The Information Is Everything model**: the notion that delivering more information to parents so that they can make better decisions is the silver bullet solution.

None of these models is necessarily wrong. What is important to understand is that by knowing the ‘mental landscape’, communication and collaboration within the system can become easier, particularly when the cultural models employed by different stakeholders differ significantly. Such 'gaps in understanding' between experts and the general public are summarised in Table 3.
<table>
<thead>
<tr>
<th>ISSUE</th>
<th>EXPERT / RESEARCHER VIEW</th>
<th>PUBLIC VIEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition of child care</td>
<td>Child care is a site for development</td>
<td>Child care is babysitting. It’s a safe place to put children while parents work. (In home is best.)</td>
</tr>
<tr>
<td>Programs and Interventions:</td>
<td>Quality is key</td>
<td>Quantity and safety is key</td>
</tr>
<tr>
<td>Similarities and differences between children</td>
<td>Focus on common processes of development</td>
<td>Focus on differences between groups and similarities within groups</td>
</tr>
<tr>
<td>Process of development</td>
<td>Development is active and dynamic where the child is an engaged agent. Development is broader than learning.</td>
<td>A child as a passive recipient of knowledge and information, delivered uni-directionally from parents and teachers</td>
</tr>
<tr>
<td>What develops</td>
<td>Social, emotional and cognitive skills</td>
<td>Skills, but mainly happiness and self-reliance</td>
</tr>
<tr>
<td>Relationship of causal factors</td>
<td>Interactive – genes and environments interact to shape outcomes</td>
<td>Discrete – genes and environment are discrete and genes are set in stone. Environments do shape outcomes.</td>
</tr>
<tr>
<td>Stress</td>
<td>Derails development</td>
<td>Almost non-existent</td>
</tr>
<tr>
<td>Science</td>
<td>Science gives information that will lead to a solution</td>
<td>Science is part of the problem (e.g. medicalization of childhood)</td>
</tr>
<tr>
<td>Information</td>
<td>Better information is required, and information is part of the solution</td>
<td>More information is required. Parents make bad choices because they are not informed – education is everything</td>
</tr>
<tr>
<td>Situation Analysis</td>
<td>Can be improved through better policies and programs</td>
<td>Crisis and Futility – less optimistic on the ability to meaningfully address and improve social problems</td>
</tr>
<tr>
<td>Temporal focus</td>
<td>Forward (innovation and science)</td>
<td>Backward – modernity as a threat; we need to return to family focus (e.g. dual income families bad for children)</td>
</tr>
</tbody>
</table>

What this demonstrates is that we should not be satisfied with an approach where we simply treat the symptoms in isolation, rather than considering the broader context. We need to focus on taking the time and space to understand and shift the underlying mental models, systemic structures, and patterns / trends (including our own) that drive the results we achieve collectively in ECD. This is not necessarily easy and progress might be slow at first. However, unless we act
patiently at this deeper level, we will remain stuck in the hamster wheel achieving no more than what we are achieving today with no better outcomes for Australian children.

7 TO IDENTIFY AND MAKE IMPROVEMENTS TO THE ECD SYSTEM, WE IN THE ECD SYSTEM NEED TO WORK DIFFERENTLY TOGETHER

If individuals and organisations in the ECD system continue behaving the way they have been behaving, it is unlikely that potential improvements to the ECD system at the deep levels of mental models and systemic structure will be uncovered and pursued. We will be stuck simply reacting to events. We won’t change our mental models, and we won’t change the systemic structure in which we operate. Our patterns / trends will continue as they are today. The resulting events will not change or improve and outcomes for children in Australia will not improve. We need to work differently together.

As the small sample in Section 3 showed, a lot of work has been done on goal setting and action lists for the ECD system. Evidently, there is no shortage of ideas or work to be done. Yet, despite knowing what we need to do, the outcomes for children aren’t what they could be.

If we take into action the goal of the Nest Action Agenda to reduce the percentage of children identified as developmentally vulnerable on the AEDI to 15% by 2020, then Australia is not on track (ARACY, 2013b). If the positive trend towards improvement shown in the AEDI continued, from 23.6 to 22 percent [is this figure of 22 correct?] over three years (approximately 0.5% per) year, it would take until 2026 (14 years) to reach the goal of 15%. This would miss the Nest target by six years. It might not sound significant, but it represents a whole childhood for a generation of children.

As previously stated, the purpose of this paper, and indeed the overall ‘System Shift’ project, is not to duplicate these processes nor to add to the existing list of ideas. Instead, we are asking the question - given that there are all these ideas and objectives - what would accelerate progress and deliver on the goals outlined above? How can we build capability to have leadership in the system to work differently together?

To answer this question, we need to understand not only what is happening in the ECD system, but what is driving those events. The iceberg (Figure 20) can provide a useful analogy for looking at a system through a different lens. Rather than just focusing on symptoms or single events, it helps us to step back and identify different underlying patterns, structures and thinking that drive the performance of the system. Events are much easier to observe than systemic structures or mental models, but the degree of leverage is greater the more these underlying drivers are understood.

In thinking about the system, it is important to continue to go back and forth between behaviour and structure to understand the interconnections in - and characteristics of - the system (Meadows, 2008). Moving up the iceberg, we can see that mental models underpin system structure, while system structure is the source of systems behaviour. Patterns of behaviour reveal themselves as a series of events over time. Events are the most visible aspect of a larger complex – but not always the most important. Moving down the iceberg, we can consider how events accumulate into dynamic patterns of behaviour and how long-term behaviour provides clues to the underlying system structure. There are opportunities at each level of the iceberg (events, patterns and trends, systemic structures, mental models), to shift the system. While a lot of attention is already focused on ‘events’, greater attention could be paid to the underpinning system drivers – characteristics that are difficult to observe but which can contain a greater degree of leverage. Applying this approach could inform the question of how we could work differently together.
7.1 PATTERNS AND TRENDS

“In our world everybody thinks of changing humanity, and nobody thinks of changing himself” (Tolstoy, 1900)

The starting point is to understand the patterns of behaviour driving the way we work and what is influencing the interactions between actors in the system. As described in Section 6, it can be useful to consider factors such as:

- **Relationships** (eg, reflected in networks, values, trust, engagement, power, leadership)
- **Structures** (eg, laws, regulations, institutional rules, social norms and mores)
- **Processes** (eg, agenda-setting, decision-making, policies, implementation)
- **Resources** (eg, skills, data, knowledge, money, technology, time)

In understanding these patterns and trends we can discover potential avenues for working differently. Not everyone will need to behave in the same way because everyone has a different role to play and occupies a different space in the system.

If the goal is to work better together, then it may make sense to pursue collaboration between actors in the system. Some people view collaboration as the thing that happens when actors with similar self-interests work collectively. Others view it as something larger than the individual where shared interests are achieved through mutual understanding and effort. In reality, collaboration is a bit of both. Collaboration is more than coordination or cooperation.

While coordination and cooperation can be elements of collaboration, the collaborative process is longer-term and more integrated. It involves a greater degree of interactions, commitment and complexity. The end goal of coordination may be to simply manage interactions and exchange information. For cooperation, it is both of these and sharing resources for mutual benefit. For collaboration, it is all of the above while new information may also be jointly created and overall capacity enhanced. Importantly, collaboration does not necessarily mean reaching consensus or agreement (there is nothing wrong with conflict or diverse agendas) on the best possible solution. It means that participants support the
decisions made within a collaborative process. Participants must therefore be confident in the process itself (McKenzie, 2013).

It should also be noted that collaboration doesn’t necessarily mean pooling all resources into a single provider or a single venue in a community. For example, collaborating to provide integrated services might also mean creating an integrated network of diverse providers within a community, with either centralised or decentralised service provision in psychology, development, health, education and care. If a network approach was taken, there would need to be the presence or the emergence of at least the following: (1) network structures that can facilitate effective coordination of action, the development of trust, and team-like collaboration; (2) agreement among network actors about goals and actions; (3) specific goals and actions that are adequate to address the broader intent of the governance system (Robins et al., 2011). This is clearly a challenge for a system such as ECD that is shaped by fragmentation of policy, funding programs and service delivery systems.

7.2 SYSTEMIC STRUCTURE

This fragmentation is partly a function of system structure. In a federal system, it is inevitable that policy implementation will result in distinctive dynamics of delivery due to the multi-leveled and layered institutional setting (Furgol & Helms, 2012). However, the wide variation in standard of service delivery and reform implementation across jurisdictions could be reduced - not just between States and Territories but across the heterogeneous regions within them. This is not only a role for COAG but for all governments and jurisdictions.

Many of the objectives for improving the ECD system are influenced by system structures that extend beyond any single sector or issue. For example, early childhood education and care services, no matter how good they are, can only marginally compensate for family poverty and exclusion (Commonwealth of Australia, 2011). While politically difficult, there is no escaping the impact that entrenched disadvantage and the widening gap between rich and poor has on Australia’s children. Although attempts are being made to meet the needs of vulnerable children, intractable challenges persist. This challenge clearly goes beyond the ECD agenda to broader economic and social policy. It pertains to wider problems that influence the home environment of the child, such as intergenerational unemployment and the lack of affordable housing. This doesn’t mean stigmatising the vulnerable or less fortunate. As Rinaldi wrote in her vision for South Australia, the challenge “is not to separate or make a special pedagogy for the disabled, disadvantaged, the vulnerable, the children at risk or the Aboriginal children. The challenge is to create a pedagogy, with schools that are able to welcome all differences that come from the uniqueness of each child, all human beings, and create a context where the differences can learn to dialogue and enrich each other” (Rinaldi, 2013) p.13.

Addressing barriers to participation is another challenge that goes beyond simple solutions or single sectors. Literature shows that the children missing out on early childhood education and care are more often represented among disadvantaged families. Those that need it most can be least likely to access the services available. There is still little data on what causes this non-participation (Baxter & Hand, 2013). Often, the intangible social capital in a community that engenders greater participation is not measured nor is it valued. Nor are the skills that staff and facilitators require to build social capital recognised or rewarded. We need to figure out how to foster participation, not just make services accessible. To quote Rinaldi (2013) again, one of the Reggio Emilia principles is that children possess a hundred ways of thinking, understanding, communicating, and encountering others. True participation gives value to these hundred ways. It nurtures a culture of solidarity, responsibility, inclusion and the sense of belonging to a community. It recognises that children, educators and parents are all important stakeholders. Generating participation requires creating a safe space, the dynamics of which go far beyond economics and logistics to sociology, psychology and even architecture.

Lastly, many outcomes are driven by factors outside the control of service providers or the formal system. The strongest influence on children’s development is the nature of the parent-child-relationships and the home learning environments. Despite this, most reports and inquiries tend to focus on formal child care and education services outside the home. Likewise, data collection is sparse, with ‘little consistent information available on the extent of informal ECEC (those
neither approved nor registered), including that occurring in a child’s own home’ (Productivity Commission, 2013a). The reluctance to delve into parenting and in-home care is understandable from a regulatory point of view. It is a sensitive and politically controversial area. Yet, optimising the home environment for ECD remains an important objective.

7.3 MENTAL MODELS

Whether we realise it or not, we all view the world through our own unique lens, shaped by our perspectives, values, beliefs and mental models. As Section 4 illustrates, it is important to be aware of how underlying assumptions shape our own understanding of the system and the patterns of behaviour of ourselves and others. In addition to different perspectives or worldviews, there are also many different theories and concepts informing current agendas and actions and these often change over time.

One example is the debate on the agency of children. The debate about the agency of children is partly shaped by the rights and representations that society has assigned to childhood. Childhood is a social and cultural construct (Lam, 2012; Rinaldi, 2013). What we believe about children is a determining factor in defining their identity and rights and sets the context of their life and education (Rinaldi, 2013). The portrayal of children as innocent, passive and vulnerable is relatively ‘modern’. Over two centuries, the concept of the child as an economic actor who plays an important part in both family and ‘real’ economies has been gradually replaced by the concept of the dependent child whose effort should be devoted to education (Redmond, 2010). Some commentators suggest that viewing children as incompetent (lacking rationality, maturity or independence) in turn provokes strong protectionist reactions in the adult population (reactions which can be further inflamed by imagery used in popular media). Also critiqued is the concept of the ‘deficit’ child - where children quickly learn whether they are ‘smart’ or ‘dumb’ or whether they fit into the one-size-fits-all modern classroom. It is suggested that we should instead be promoting agency in children. Agency would be created by empowering children to participate actively in education and promoting their sense of personal responsibility through awareness of the consequences of their own choices (Senge, 2000; Ailwood, 2008; Redmond, 2010; Lam, 2012). Such a debate is largely a question of values, with no right or wrong answer. The challenge is finding a way to balance children’s rights to be both protected from exploitation and abuse as well as recognised as valued contributors on issues that affect them, and listened to as experts in their own lives (Redmond, 2010).

Another example relates to the so-called ‘schoolification’ of child care. Again, the debate around schoolification has no right or wrong answer. Some authors suggest that child care and early childhood education are being shaped to ensure the future participation of children in the economy. Ailwood (2008) suggests that notions of the child as a developer who is a potentially modern, rational adult have been replaced with the idea of the child as a potential adult learner or earner, where lifelong learning (and earning) is the responsibility of the enterprising individual. Redmond (2010) suggests that children are seen as ‘becomings’ (growing into adults) versus children as being. Rather than the historical view of children as economic actors in the present, they are now viewed as future economic actors and objects of investment who must be morally, technically and intellectually prepared for productive adult lives (Redmond, 2010) p.475.

The example is given of Queensland, where the introduction of a universal preparatory year was linked to its ‘smart state’ policies and consistent with economic arguments that emphasise the need for intellectual capital. Likewise, instead of being a distinct ‘space apart’, some argue that preschool education is now becoming the ‘space before’ formal education, where the foundations for lifelong learning and earning are laid and children must be ‘made ready’ for primary schooling (Ailwood, 2008). This is being referred to as ‘schoolification’, where programs and pedagogy become a downward extension of the school system rather than being specifically designed for young children (Commonwealth of Australia, 2011). Critics suggest that early childhood educators have become the producers and monitors of the school-ready child, assessing their readiness in line with requirements of the ‘adult-to-be’. The challenge here is to promote integration of the two settings (child care and school) and to ease the transition for children, while avoiding the potential pitfalls of schoolification (Commonwealth of Australia, 2011).
Another common example being played out at the moment revolves around the value of female workforce participation versus stay-at-home parenting. In recent decades, government emphasis has strongly been on the need to support the workforce participation of parents. This is reflected in the treatment of single parents, through programs such as Welfare to Work (Redmond, 2010). It is also shown in the attention of the Productivity Commission to early childhood education and learning, with a 2011 inquiry into the ECD workforce and the current 2014 inquiry into early childhood care and learning.

Clearly, there are many other assumptions and perspectives shaping debates around ECD. Rather than debating false dichotomies or pursuing an either/or argument, the point here is to highlight the influence of mental models and the importance of being conscious of how different perspectives shape system structures, behaviours and events.

8 TO WORK DIFFERENTLY TOGETHER, WE MUST BUILD LEADERSHIP AND CAPABILITY AT THE INDIVIDUAL AND ORGANISATION LEVELS, WHICH WILL TAKE TIME AND PATIENCE

There is clear evidence from Australia and overseas that the early years of a child’s life have a profound impact on their future health, development, learning and wellbeing. Research shows investing in resources to support children in their early years of life brings long-term benefits to them and the whole community (Australian Government, 2013). We are on the right track. Today, the number of policies, programs, strategies and investments into ECD is at its highest point ever in Australia’s history. This is a testament to the many organisations and individuals who have dedicated themselves to the health and wellbeing of Australian children. However, the outcomes for children from these policies and investments have been mixed.

This paper proposes that making faster progress towards improved ECD outcomes requires finding ways to work differently – for individuals, organisations and collaborations. It requires system leadership and courageous implementation. It is challenging to question the prevailing values, attitudes and mental models of actors in the system. Leaders can help to disrupt existing patterns by embracing uncertainty, surfacing conflict and creating controversy. And they can encourage novelty by allowing experiments, encouraging rich interactions, and supporting collective action. Leaders can create the space for thoughtful conversation and dialogue to be held among participants of the system so that new understanding and insights can be collectively developed.

In complex systems, challenges do not lend themselves to permanent solutions, but instead tend to morph into new predicaments, even as the result of our interventions to deal with them. This makes the willingness to learn a key ingredient in improving system performance. Learning is not just for children. Likewise, there are many ideas and suggestions for improving the ECD system, but little evidence to substantiate effectiveness. Implementation of any pilot or strategy should include deliberate plans for evaluation and reflection – with the goal of creating a system that prioritises ongoing learning, evaluation, reflection and adaptation.

System transformation can only happen if individuals and organisations in the system transform. This is not easy. It will take time. It takes leadership and new capabilities, including in:

- **Thinking** in systems (including systems literacy; observing mental models, systemic structures, and patterns / trends; and “unlearning” existing behaviours)
- **Designing** for impact in the context of complex adaptive systems (including innovation, prototyping, comfort with failure, evaluation, and adaptation)
- **Acting** for impact in the context of complex adaptive systems (including collaboration and systems leadership)
In this discussion paper, we have identified a range of actions for further consideration and debate, in particular the need to work differently together. We must ask ourselves what would it take to achieve this? What would we need to do if we were serious about redesigning the system? Would changing the way we work be enough? We invite readers to consider for themselves how the system works, what progress would look like and what the levers for achieving change might be. If we are to transform ECD in Australia, then we will all need to contribute.

CONCLUSION

The role and representations of children in society have differed over time, place and culture. What we are seeing in Australia today is a culmination of an increasing awareness of the importance of childhood not only for the future of the child, but for the future of the nation. Development in childhood has become a primary concern not only for parents and families but for governments. No longer the domain of a single sector (if it ever was), creating the conditions for better childhood development is inextricably linked to broader interventions into economy, environment, and society.

The many forces that impact on children in this country are complex. But if we are to continue to improve and progress the ECD agenda, it is important that we try to understand these underlying drivers. The purpose of this paper is not to create an exacting portrayal of the national ECD system but to show, in ways that will necessarily be incomplete, some of the processes, structures, relationships and actors that help to shape dynamics of the system. It is by better understanding the current decision-making system in Australia for ECD that we will be able to identify potential action areas for faster progress.
## APPENDIX: HOW HAS THE SYSTEM EVOLVED OVER TIME?

### EDUCATION FOR MORAL PURPOSES – 1800s to 1900

<table>
<thead>
<tr>
<th>THEME</th>
<th>DESCRIPTION</th>
</tr>
</thead>
</table>
| Paradigms /focus/ intention | • Throughout the 19th century, the primary aim of schooling was still the ‘moral edification’ of the youth of the Australian colonies (Press & Hayes, 2000).  
• By the end of the 1890s, the influence of educational thinkers such as Froebel and Pestalozzi as well as the associated development of kindergarten movements in Europe and the United States, were making their mark in Australia. Women such as Maybanke Anderson in New South Wales and Lillian de Lissa in South Australia, among others, led the movement to pioneer ECEC in Australia.  
• The philanthropic kindergarten movement emerged in 1895 with the formation of the Kindergarten Union of New South Wales (Press & Hayes, 2000). The kindergarten movement advocated for the introduction of kindergarten principles into schools and the establishment of free kindergartens in poor suburbs. By 1911, similar organisations had been formed in every State in Australia.  
• The kindergarten was invented in the 1830s in Germany and gained momentum in Australia in the late 1800s. The kindergarten was regarded as a tool for urban social reform as well as educational reform. This drive for reform, however, was primarily concerned with the education and socialisation of young children rather than the provision of support to working mothers. |
| Policies of the day | • Until the mid-1870s the state provided material support to churches to run schools, but bitterness between the state and the Catholic Church contributed to the end of all state-aid in each of the colonies by the early 1880s (Press & Hayes, 2000).  
• Across Western nations, basic elementary education was refined in the years 1870-1900 as a compulsory, age-specific, professional teacher directed, school-based exercise that taught prescribed subjects around a core of basic literacy (Mulgan & Leadbeater, 2013).  
• In Australia, it was felt that only a centralised state-run structure could deliver on imperatives for social reform and cohesion, universal provision of schooling for a population increasingly dispersed around a massive land mass, and administrative efficiency. Therefore, by the time of Federation in 1901, each of the Australian States had a centralised government school system providing compulsory, secular and free education for the colonists. School attendance and literacy rates were among the highest in the world (Press & Hayes, 2000). |
<table>
<thead>
<tr>
<th>THEME</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practices</td>
<td>• Literacy involved a primary focus on reading.</td>
</tr>
<tr>
<td></td>
<td>• Responsibility for literacy lay with parents and was seen to be regulated by students’ social class and irregular school attendance (Whitehead &amp; Wilkinson, 2008).</td>
</tr>
<tr>
<td></td>
<td>• Children’s literature in English for entertainment came about in the late 18th century. Prior to the late 18th century, reading was for moral and instructive purposes and fairy tales were frowned upon. By 1800, the trade in English language children's books was strong and publishers printed materials that were both for instruction and entertainment.</td>
</tr>
<tr>
<td></td>
<td>• There was an increase in books written for ‘middle class’ children (although parents were accused of laziness by keeping children occupied with ‘childish’ books (not literature) and books began to be written with the developmental needs of children in mind, not just a cautionary tales or formal writings (Kinnell, 2003)).</td>
</tr>
<tr>
<td></td>
<td>• From the 1870s – 1900s, what had started as sporadic services in informal, private and religious settings became an education system, involving new products, practices, services, methods, buildings, infrastructure, behaviours and social norms (Mulgan &amp; Leadbeater, 2013). This had far-reaching effects on the nature of childhood and family life.</td>
</tr>
<tr>
<td></td>
<td>• At this time, most kindergartens opened only between 9 am–12 noon, and only admitted children from three years of age. Many kindergarten supporters viewed full day care as undesirable (Press &amp; Hayes, 2000).</td>
</tr>
<tr>
<td>Participation and Access</td>
<td>• Middle-class boys usually completed their education in grammar schools, conducted by men, from about the age of seven, while girls continued their at home or in young ladies academies (Whitehead &amp; Wilkinson, 2008).</td>
</tr>
<tr>
<td></td>
<td>• The marketplace was unregulated and teacher quality was a matter of parent’s judgement.</td>
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<tr>
<td></td>
<td>• The school room usually had a mix of ages. Younger siblings were usually sent to school with their older siblings, despite the fact that most schools did not provide classes for them (Press &amp; Hayes, 2000; Davies &amp; Trinidad, 2013). This is because working parents couldn’t send their older children to school unless they could also send the younger siblings along with them to be looked after (Whitehead &amp; Wilkinson, 2008). Many others were left to look after themselves while their parents worked and spent much of their time roaming the streets (Press &amp; Hayes, 2000).</td>
</tr>
<tr>
<td>Price</td>
<td>• Governesses were employed by wealthy families and in middle-class households mothers often taught their children (and servants) to read (Whitehead &amp; Wilkinson, 2008).</td>
</tr>
<tr>
<td></td>
<td>• Australia had some fee-charging kindergartens, mostly attached to private schools for the daughters of wealthy families, whilst children in working class and poor communities had limited options – although working class parents were prepared to invest in education by paying a few pence a week for their children to learn their letters in a ‘dame school’ (Whitehead &amp; Wilkinson, 2008).</td>
</tr>
<tr>
<td></td>
<td>• Legislation for mass compulsory schooling (not free) was enacted in South Australia for 7- to 13-year olds (Whitehead &amp; Wilkinson, 2008) in 1875. This schooling was not free. Legislation for free state schooling was passed in 1891.</td>
</tr>
</tbody>
</table>
## Childcare for Working Mothers and Preschools – 1900 to 1950s

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paradigms /focus/intention</td>
<td>• In response to the plight of employed mothers from the working class, the Day Nursery movement emerged at the beginning of the twentieth century.</td>
</tr>
<tr>
<td></td>
<td>• Whereas the kindergarten movement emphasised teacher training (and established its own teaching colleges), Day Nurseries emphasised physical health and well-being and were initially staffed by nurses. The development of two such distinct movements was indicative of a perceived split between care and education. This dichotomy has resonated through many of the ensuing debates and policy initiatives which have shaped ECEC provision in Australia, and reflects similar debates in other countries (Press &amp; Hayes, 2000).</td>
</tr>
<tr>
<td>Policies of the day</td>
<td>• In 1938, the Commonwealth became involved in the provision of early childhood facilities, albeit in a limited fashion, with the funding of one demonstration child education and health centre in each capital city – the Lady Gowrie Child Centres. These centres were concerned mainly with the children of underprivileged families.</td>
</tr>
<tr>
<td>Practices</td>
<td>• Day Nurseries opened for longer hours (7 am–6 pm) and would admit children from infancy.</td>
</tr>
<tr>
<td>Participation and Access</td>
<td>• After the Second World War, middle class families became interested in kindergartens for their children. During the 1940s and 1950s preschools, as they became known, began to emerge in middle class suburbs and were often managed by local parents (Press &amp; Hayes, 2000).</td>
</tr>
<tr>
<td>Price</td>
<td>• For many years the establishment and management of kindergartens and day nurseries remained largely a philanthropic concern.</td>
</tr>
</tbody>
</table>

## New Commonwealth Regulations – 1960s to 1970s

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paradigms /focus/intention</td>
<td>• A strong push for the provision of child care services to support working women developed in the late 1960s and early 1970s.</td>
</tr>
<tr>
<td></td>
<td>• This was a result of the coalescing of feminist advocacy for women’s right to seek and remain in paid employment, research on the number of children left without adequate supervision because of their parents’ need to work, and the needs of industry (particularly manufacturing) for access to women’s labour (women being less expensive to employ than men).</td>
</tr>
<tr>
<td></td>
<td>• All of the above became a powerful impetus for governments to take child care provision seriously (Press &amp; Hayes, 2000).</td>
</tr>
</tbody>
</table>
### Policies of the day

- Policy and funding responsibility for early childhood education and the licensing of education and care providers largely resided with state and territory governments services (Commonwealth of Australia, 2011).
- The Tasmanian Government incorporated preschools into its Education Department.
- The Western Australian Government established the pre-primary program and took over the running of preschools.
- The Queensland Government became involved in preschool provision and began to establish preschools in conjunction with primary schools.
- In both Victoria and New South Wales preschool provision remained largely in the hands of voluntary agencies (Press & Hayes, 2000).
- The Commonwealth Government also became increasingly involved in the funding of child care programs (beyond the existing Lady Gowrie Centres) with the introduction of the Child Care Act 1972 by the Commonwealth Minister for Labour and National Service.

### Practices

- The Child Care Act 1972 Act emphasised the importance of good quality care to meet children’s developmental needs at a cost parents could afford.

### Participation and Access

- During the 1960s and 1970s, some State Governments became involved in the provision of preschool services and an increasing proportion of the population had access.

### Price

- Initial Commonwealth funding was provided for the employment of preschool teachers and nurses in non-profit centres. Over the years the focus shifted more explicitly toward supporting workforce participation and this was reflected in changes in funding.

### GROWING DEMAND FOR CHILD CARE TRIGGERED BY GROWTH – 1980s TO 1990s

### Paradigms /focus/ intention

- The link between workforce participation and the Commonwealth funding of children’s services was strengthened.
- The 1990s see an increasing focus on human capital in the economy and in associated reforms. Policy language shifted to the idea of “development” of children for the sake of the nation.
- Likewise, the image of children as an “investment” has been evident throughout the last century. However, due to demographics and an ageing population, children are increasingly seen as a diminishing resource to be highly valued. Investment in children becomes a key national priority (Press & Hayes, 2000).
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| Policies of the day               | • The expansion of the child care sector was reliant upon the cooperation of state, territory and local governments.  
• Under the Commonwealth Labor Government of 1983–1990, child care provision was regarded as part of the social wage (government-provided benefits and services). The Government agreed to increases in the social wage in exchange for unions exercising wage restraint.  
• The Secretariat of National Aboriginal and Islander Child Care (SNAICC) was formally established in 1981 after the creation of such a body was proposed by Aboriginal and Torres Strait Islander people at the 'First Aboriginal Child Survival Seminar' held in Melbourne in 1979. The organisation elected its first national executive in 1982 and has received Federal Government funding support from 1983. SNAICC remains the national non-government peak body in Australia representing the interests of Aboriginal and Torres Strait Islander children and families (SNAICC, 2011). |
| Practices                         | • As the number of places increased and more children spent greater amounts of time in ECEC, attention shifted to the quality of children’s experiences in such settings.  
• During the late 1980s, many early childhood professional groups, unions, parents and others began lobbying for the introduction of an accreditation system similar to that of the National Association for the Education of Young Children (NAEYC) in the United States (Press & Hayes, 2000).  
• Concern about the impact of the profit motive on the provision of care for young children, coupled with the ongoing lobby for an accreditation system, led to the introduction in 1993 of requirements for providers of long day care (i.e. child care centres) to complete a quality accreditation process known as the Quality Improvement and Accreditation System (QIAS).  
• Australia was the first country in the world to introduce such a nation-wide system of quality assurance (this was later extended in 2012) (Tayler et al., 2013). |
| Participation and Access (who got access?) | • The number of women returning to the paid workforce while their children are young rises (Moore & McDonald, 2013). This triggered a growing demand for care for young children before formal schooling (Ailwood, 2008).  
• In 1997, 49% of mothers with children under 4 years of age worked (Press & Hayes, 2000).  
• There was an emphasis on increasing the number of child care places available and expenditure on child care was increased.  
• New services were allocated to areas based on assessed need.  
• By 1991, 250,000 children were using approved child care in 1991. |
| Price                             | • Governments provided capital funding, blocks of land and input to the planning of services.  
• Direct funding for child care services and fee subsidies for parents was still only available to non-profit services. These tended to be managed by parent associations, church groups, organisations such as the Kindergarten Union, and local government.  
• In 1990 the Commonwealth Labor Government extended the availability of fee subsidies to families using for-profit services in order to curtail the government’s capital expenditure on establishing new services, to stimulate investment in child care from the private sector, and to provide some equity to parents using private child care.  
• In relation to income support for families, the Family Assistance Act 1999 partially replaced the Child Care Act 1972. |
## THE EVOLUTION OF A NATIONAL SYSTEM - 2000 TO 2008

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<td><strong>Paradigms /focus/intention</strong></td>
<td>While play-based learning and sensitivity to children’s development and individual differences had long been emphasised in teacher training courses, it is only now that policy attention really shifted to the role child care has in providing opportunities for children’s development, learning and socialisation (Press &amp; Hayes, 2000).</td>
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| **Policies of the day** | Compulsory schooling remains the domain of the states and territories  
- The peak bodies Australian Early Childhood Association and the Australian Preschool Association are replaced in 2000 with Early Childhood Australia (ECA): the first national overseeing body. Established by the Howard Government, ECA was charged ‘to act in the interest of young children aged birth to eight years of age [and] as a knowledge-broker linking quality-assured early childhood knowledge and information to those who need it’ (Dobozy, 2013).  
- In December 2007, the Labor Government created the Department of Education, Employment and Workplace Relations, bringing together elements of the former departments of Education, Science and Training; and Employment and Workplace Relations and the youth and early childhood functions from the Department of Families, Community Services and Indigenous Affairs.  
- As part of the formation of the new Department, the Office of Early Childhood Education and Child Care was established, bringing together responsibility for child care, children’s policy, early education policy, financial assistance to schools, improving educational outcomes for school students, developing policies and administering programs for schools and transitions from school to further education, training or work (Commonwealth of Australia, 2011).  
- In 2008, the leadership of the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) and state and territory education ministers, in collaboration with their federal counterparts, released the Melbourne Declaration on Education Goals for Young Australians. This document superseded the 1999 Adelaide Declaration and the 1989 Hobart Declaration. It included national education goals and planned ‘commitment to action’. |
| **Practices** | Externally provided child care (outside the home) starts to be seen as desirable versus necessary  
- In addition, the belief that child care can be beneficial after a child as young as 6 months old (or at least is not detrimental) becomes more widespread. This is reflected in policies like maternity leave. |
| **Participation and Access** | In 2001, new places for family day care and outside school hours care were opened to the private sector, continuing the trend towards more private sector involvement in provision of services. |
| **Price** | With Commonwealth Government investment, a national system slowly evolved of subsidies for families using long day care services, and support to and an accreditation system for those services; health (e.g. nutrition programs); and family support (e.g. Family Tax Benefit, and more recently Paid Parental Leave, parenting programs and community development initiatives) (Commonwealth of Australia, 2011).  
- In 2000, the Coalition Government removed direct services subsidies, known as operational subsidies, to non-profit long day care and outside school hours care. The preference was to subsidise families rather than direct government support to services (Press & Hayes, 2000).  
- The Australian Government introduced the Baby Bonus in 2004, and the then Treasurer Peter Costello exhorted parents to have ‘one for Mum; one for Dad and one for the country’ (ABC, 2004). |
REFERENCES


