

# Child Care Assistance Package

Response to consultation on the Regulation Impact Statement – July 2015

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Centre for Community Child Health

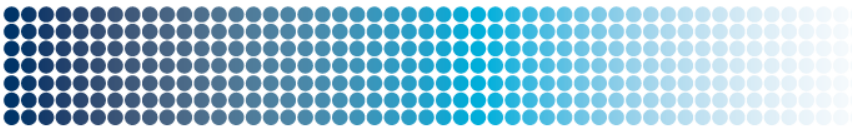
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The Centre for Community Child Health (CCCH) at the Murdoch Childrens Research Institute and The Royal Children's Hospital welcomes the opportunity to comment on the implementation options outlined in Chapter 5 of the Regulation Impact Statement (RIS) for the Child Care Assistance Package. CCCH acknowledges the time and effort that has gone into the preparation of the RIS and appreciates being able to participate in this consultation process. The CCCH response will focus on questions outlined in the sections relating to activity test criteria, the Additional Child Care Subsidy, the Community Child Care Fund and the new Inclusion Support Programme.

## Activity test criteria

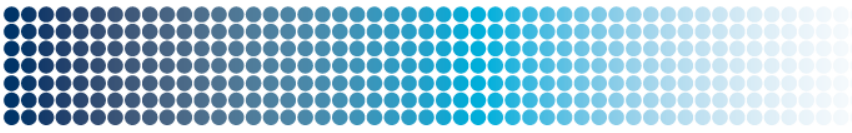
The first set of consultation questions on page 51 of the RIS asks respondents to comment on activity test criteria, to help define eligibility for the Child Care Subsidy. CCCH believes that access to quality early learning should be primarily centred on the needs of the child, rather than primarily related to the employment status of the parent. While there is an economic case for supporting parental workforce participation through the provision of access to early learning places, there is a greater economic case (as well as a moral one) for ensuring all children have access to rich learning environments from birth; whether in the home or in a formal setting.

Research shows that children who attend a quality early learning service in the year prior or the two years prior to school perform better than those who do not, and that the positive academic and social-emotional outcomes from these preschool experiences extend well into the later years of school (Sylva et al. 2012). For this reason, CCCH believes that Australia should follow the UK model and ensure that all children receive guaranteed access to free early learning for a specified number of hours each week in the two years prior to school, regardless of their parents' employment status. We also suggest, in line with evidence from the UK, that disadvantaged children would benefit from free access for a specified number of hours each week from the age of two (Sylva et al. 2012). While this may increase costs to the tax-payer in the short term, economic modelling shows that increasing the participation of disadvantaged families in early learning leads to significant savings for the tax-payer over the longer-term (PwC 2014).

We also note that the current subsidy system provides access to subsidies for all children, regardless of parents' workforce participation, up to family income of around \$150,000. We are deeply disappointed that this entitlement has not been retained in the new subsidy and believe this contradicts all the best evidence and research about the benefits of early learning for all children.

CCCH believes that, as the current package stands, higher-income earners will benefit while lower-income and disadvantaged families will become further marginalised. The penalising nature of the activity test, and its primary link to workforce participation, means that the children who require the most support to address the complex disadvantage they have been born into, will be the least likely to receive it.

We know from the research that vulnerable and disadvantaged families do not utilise services to the extent that more advantaged families do (CCCH 2010). We label these families as 'hard to reach', but in fact, there are a multitude of barriers that serve to prevent these families from accessing the support they require. Many agencies, including



Commonwealth and State governments, have invested significant amounts of money in research and in service redesign in an attempt to engage disadvantaged families with services. However, the activity test component of the Child Care Assistance Package is likely to have the opposite effect. Families who are already marginalised from the service system will face administrative burdens to access quality early learning for their children. These burdens are most acute for families with unpredictable work hours or insecure work, who may not know from week to week whether they will meet the eligibility requirements for the Child Care Subsidy, but who will need to secure a place for their child in order to sustain any form of employment.

CCCH appreciates that some families will be exempt from the activity test requirements via the Child Care Safety Net. However, we believe that the provision of up to 24 hours per fortnight for these families is too low, in that it is (a) not enough time to provide the support required to compensate for any deficiencies in the home learning environment; and (b) is not consistent with what the evidence tells us children need in terms of developing secure relationships with consistent caregivers in the early years (CCCH 2009).

We are also very concerned that the cut-off of \$65,000 family income for the Safety Net and interactions with the Child Care Subsidy activity test will have serious negative impacts on ensuring children's regular attendance in early learning. The Child Care Assistance Package must address the following scenarios to ensure children's attendance is maintained:

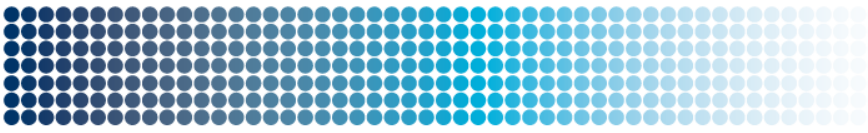
- a family being eligible for Safety Net subsidy in some fortnights but not others
- a family losing subsidy towards the end of the year
- sporadic work by the secondary income earner tipping family income over the \$65,000 threshold, but work being irregular or insufficient to consistently meet the first step of the activity test.

In these scenarios, the design of the subsidy should put the child first and ensure their access to affordable early learning is maintained.

At CCCH, we believe it is imperative for the Child Care Assistance Package to remove barriers preventing lower-income and disadvantaged families from gaining access to services, including early learning, for their children. We believe that the economic cost of providing greater access to disadvantaged families will be recouped (many times over) in later years via greater workforce participation and better health and wellbeing, and lower rates of crime and dependence on welfare.

**Although we disagree with the announced policy settings in which access to early learning is tied to parents' workforce participation, we offer the following specific comments in relation to the activity test and exemption options outlined in the RIS to minimise barriers for lower-income and disadvantaged families:**

- **We support Option 1.1 with some additions to provide as many opportunities as possible to meet the activity test.**



- We do not support Options 1.2 or Options 1.3 which provide time limits and subsidy limits, as these are likely to disproportionately impact families that are already in vulnerable circumstances.
- We support providing an exemption from the activity test for three year and four year old children for at least 18 hours per week so they can attend a high quality early learning program. At a minimum, an exemption must be provided for the year before school so children can access an affordable preschool program.
- We support a broad definition of volunteering that recognises all forms of volunteering, not only volunteering linked to improving work skills.
- We support parents caring for an adult or any child with a disability being exempt from the activity test.
- We support transitional arrangements within the subsidy for lower income families with one parent in insecure or irregular work that allows them to maintain access to early learning subsidies for their children, noting that without subsidy early learning will be completely unaffordable. These arrangements must be practical and should be tested with families before being adopted.

## Additional Child Care Subsidy

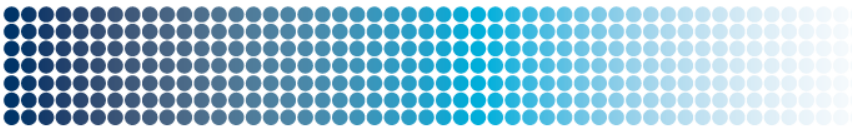
As noted above, CCCH believes that the provision of access to 24 hours of early learning per fortnight for children from low income families, where both parents do not meet the activity test, is too low. We suggest lower-income and disadvantaged families should be able to access at least two full days of quality early learning each week.

We are also concerned that, in cases where the family earns over \$65,000 but one parent does not meet the activity test, access to quality early learning could be reduced for children who would benefit from the additional support.

CCCH is concerned that children who are developmentally vulnerable or at risk of developmental delay (but who do not meet the criteria for risk of serious abuse or neglect, or meet the criteria for additional support under the new Inclusion Support Programme) are likely to miss out under the proposed Child Care Assistance Package. CCCH believes that early learning services, in conjunction with other early years services, have a critical role to play in identifying children who are in need of additional support to improve developmental trajectories. As noted in our recommendations above, the primary objective for these groups should be to ensure they have an adequate dose of early learning (two days) and that they can attend consistently, without gaps in their attendance caused by a reduction in subsidy.

**We offer the following specific comments on the Additional Child Care Subsidy:**

- We support transitional arrangements being developed to maintain regular access to affordable early learning for children who are accessing or who have accessed the Safety Net. This should include long term exemptions from the



**activity test as the impacts of abuse and neglect are long lasting and children should receive long term support.**

- **We recommend that definitions of abuse and neglect should be broad and should be consistent with best practice evidence. The definitions should build on the existing definitions that apply to the Special Child Care Benefit, including reference material in the Guide to Special Child Care Benefit.**

## The Community Child Care Fund – effective activities

Children’s development is a product of all of their learning environments, and the benefits to be gained from quality early learning environments can be steadily undermined if the home environment continues to be chaotic, neglectful or unstimulating. We are therefore pleased to see the RIS acknowledge the important role early learning services play in supporting children’s development in all learning environments, and in supporting parents and families. Early learning services need to be an integral part of a wider service system that is capable of addressing the additional needs and challenges that young children and their families face.

In response to the consultation question on page 68 of the RIS, which asks stakeholders to comment on any other activities that have been proven effective in increasing participation of vulnerable children, CCCH would like to note some of the work we have been doing in the area of parent and community engagement. We believe this is an area in which vast improvements could be made, which would in turn lead to increased participation of families with services, and better child and family outcomes.

## Learning and Development Strategy – Tasmanian Child and Family Centres

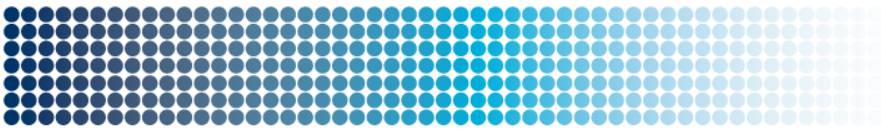
In 2009, the Tasmanian Early Years Foundation recognised the need for a strategy to support the rollout of the Tasmanian Government’s Child and Family Centre Project. The Learning and Development Strategy was designed and facilitated by CCCH, and is now being recognised nationally and internationally as leading the way in engaging communities of disadvantage in the co-production of local service models.

The major task of the Learning and Development Strategy Team was to support change that would ‘fundamentally re-engineer early childhood services in Tasmania’. Early indications from evaluation research demonstrate that parents feel more confident and more connected with other parents following establishment of the Centres. There is also evidence that suggests improved connections between community members and services. A number of parents have described the CFCs as ‘life-changing’.

A significant component of the Learning and Development Strategy comprised training in the Family Partnership Model.

The Family Partnership Model (FPM) was devised in the UK by Hilton Davis and colleagues at the Centre for Parent and Child Support. It is an evidence-based approach to working in partnership with families (Davis et al. 2002; see also <http://www.cpcs.org.uk/index.php?page=about-family-partnership-model>).

The FPM has a distinct structure comprising three core aspects:



- A staged helping process that involves identifying parents' goals, exploring strategies, evaluating outcomes and joint decision-making on further steps
- Helper qualities, skills and behaviours which enable collaborative and respectful interactions (e.g. humility, personal integrity)
- The theoretical basis for understanding parenting and parent-child relationships.

Interventions that have drawn upon the philosophies underpinning FPM have been found to have a positive impact upon children, parents and families in a range of circumstances including families of children with intellectual or multiple disabilities living in an area high rates of poverty, families with multiple and complex problems, and socially disadvantaged mothers receiving a post-natal home-visiting program.

While the FPM helps develop respectful relationships between practitioners and families, we know that it can still be difficult for practitioners to assist families dealing with complex needs and challenges. Specifically, we know that practitioners need support to increase their capacity and confidence to ask families difficult questions about family functioning – and this has led to the development of the Parent Engagement Resource.

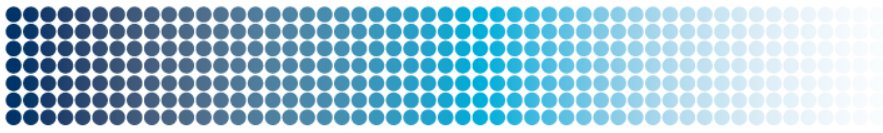
### The Parent Engagement Resource

The Parent Engagement Resource (PER) is a tool developed by CCCH that is designed to help parents identify psychosocial factors that are compromising parenting and family functioning, and decide what action they would like to take to address these (Moore et al. 2012). The PER differs from other tools in several ways:

- It is a practice framework or method of enquiry rather than a screening tool.
- It uses a needs-based rather than risk-based approach. A needs-based approach seeks to respond to needs identified by parents rather than risks identified by professionals. The questions in the PER are framed to elicit parental concerns.
- It uses a family-centred approach that places the parent in control. The parent is assured that they do not have to answer any particular questions or any questions at all, and that they make the final decisions about what action to take about issues that have been identified. This is in contrast to more traditional approaches that, explicitly or otherwise, are controlled by the professionals.

The PER has been subject to a pilot and evaluation, and planning for further trials is currently underway. CCCH envisages that the PER could be used by any practitioner working to improve child and family outcomes; whether in health, early learning and education, or welfare. The PER provides the language necessary to start difficult conversations with families, without requiring specific in-depth training in social work or other partnership models (although these would of course be beneficial). The first evaluation of the PER indicated that parents found the tool and the questions contained within an appropriate and acceptable way to elicit problems or concerns that may affect child and family outcomes.

CCCH views the development of the PER as a significant step forward in the journey towards better parent and community engagement. We believe it is a vital tool for all



professionals working with children and families, particularly those engaging in outreach or working with disadvantaged families and communities. We would welcome to opportunity to provide further information about the PER.

**We recommend that any investment in the CCCF is targeted to evidence-based programs.**

### The Community Child Care Fund – expected outcomes

Page 68 of the RIS asks what outcomes we would expect to see from implementation of the Community Child Care Fund, apart from an increase in children attending child care. Where genuine parent and community engagement is occurring via outreach and other services, we would expect to see a myriad of positive outcomes, including:

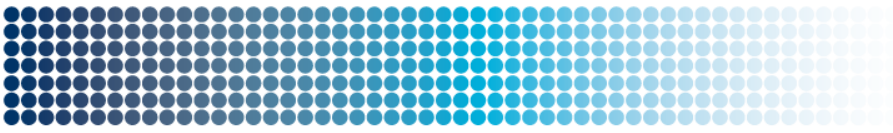
- an increase in trusting, respectful relationships between families and early years educators
- increased opportunities for early years educators to identify problems in children earlier, and to work with families to prevent further vulnerability or to refer on for further help where necessary
- increased opportunities for early years educators to learn about children's backgrounds and cultures, and to use this knowledge to enhance practice
- increased opportunities for early years educators to engage families in their child's learning and development, and to support families to provide rich learning and development environments in the home
- a reduction in stress for families who feel supported and empowered by genuine engagement
- an increase in job satisfaction for early years educators who feel respected and trusted by families.

### New Inclusion Support Programme

Education and health are inextricably linked in the life course development from childhood to adulthood. Approximately 4% of Australian children will arrive at school with an identified health need/diagnosis. Another 15-20% of children will be identified by primary school educators as having serious problems (special health care needs) that interfere with learning (Goldfeld et al. 2012).

Children with special health care needs (SHCN) are those who 'have or are at increased risk for a chronic physical, developmental, behavioural or emotional condition and who also require health and related services of a type or amount beyond that required by children generally' (Newacheck et al. 1998).

From the time they begin school, children with SHCN are at risk for academic difficulties and poorer adjustment to this new setting. Goldfeld and colleagues (2012) drew on data from over 260,000 students in their first year of compulsory schooling in Australia in 2009, and



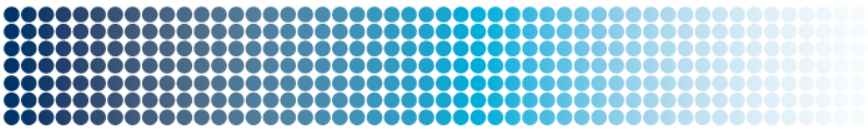
found that children with SHCN were more likely to be rated by their teachers in the bottom 10<sup>th</sup> percentile in pre-literacy and numeracy skills.

Rather than waiting until a child is at school, when problems are more entrenched and intervention is less effective and more costly, coordinated and effective interventions to promote better school outcomes for children with SHCN should begin well before children enter the formal educational system. This can only happen if children with additional needs are supported to access early learning programs.

**We offer the following specific recommendations in relation to the new Inclusion Support Programme:**

- **Children with additional needs should have the right to participate in early learning, like any other child.**
- **Eligibility for the Inclusion Support Program should be broadened to allow access to subsidy for any child that has additional needs and requires support to participate in an early learning program. This should specifically include children with disability, children with developmental delays, children with medical conditions, children who have experienced trauma, abuse or neglect, and children who have behavioural needs.**
- **Children should be eligible for Inclusion Support Subsidy for all hours that they attend an early learning program. The current five hour limit should be removed.**





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