



Secretariat of National Aboriginal and Islander Child Care

Martin Hamilton-Smith MP
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South Australia, 5062

Sent by email to: waite@parliament.sa.gov.au

30 January 2013

Dear Mr Hamilton-Smith,

Re: South Australian Parliamentary Select Committee on Child Care - response to Request for Submissions

Thank you for your invitation to submit a contribution on the status of childcare in South Australia. The Secretariat of National Aboriginal and Islander Child Care (SNAICC) would like to respond to several aspects of your terms of reference, with specific focus on three key areas.

SNAICC is the national, non-government peak body representing the interests of Aboriginal and Torres Strait Islander children and families. SNAICC has been a persistent voice and advocate in support of the protection, wellbeing and development of Aboriginal and Torres Strait Islander children and families, conducting research, providing policy advice and developing resources on issues around child development and protection since 1981. Further information on SNAICC is available online at www.snaicc.org.au.

(1) Viability of the Budget Based Funding program and the need for Aboriginal and Torres Strait Islander early childhood services

Currently there are 40 Budget Based Funding (BBF) early childhood education and care (ECEC) services operating in South Australia. These comprise a range of service models, including Multifunctional Aboriginal Children's Services (MACS), long day care centres, out of school hours (OOSH) care, mobile children's services, crèches, preschools and playgroups. These services provide invaluable early childhood education and care programs to Aboriginal and Torres Strait Islander families. Embedded within the local community in which they operate, they are vital for broader community development, being driven by the needs and values of the families and communities they serve. Aboriginal and Torres Strait Islander ECEC services are also unique in their focus on culturally competent care, accessibility and affordability, and the provision of a range of broader programs such as nutrition, health and family support.

Although Aboriginal and Torres Strait Islander children remain underrepresented in early childhood services,ⁱ evidence indicates that the BBF program has played a significant role in increasing their participation in such services. With appropriate funding and expansion it has the potential however to further significantly increase participation and, with integrated support systems, lead to improved outcomes for Aboriginal and Torres Strait Islander children and families.

Despite their value to communities, BBF services have long suffered from inadequate funding, and the lack of a consistent, transparent and equitable funding program. The result is that

existing BBF services are unable to provide the array of basic early childhood programs required by their communities, with a number also struggling with poorer infrastructure and resources, and less qualified staff, than non-Aboriginal and Torres Strait Islander services.ⁱⁱ The lack of a comprehensive funding program means that many communities do not have their own Aboriginal and Torres Strait Islander-specific early childhood centre, thus limiting families' choice of service. Evidence strongly demonstrates that for Aboriginal and Torres Strait Islander families, cultural competence, or the ability of a service "to recognise and incorporate cultural practice into the way the child and family is dealt with",ⁱⁱⁱ is a key enabler for their participation in an early childhood service. With 38% of Aboriginal and Torres Strait Islander children aged less than 15 years,^{iv} demand for ECEC services amongst Aboriginal and Torres Strait Islander families is only increasing. The Federal Government is currently reviewing the BBF program, but has stated that the review will not result in an increase in funding for the program.

The Child Care Benefit (CCB) model is not a feasible alternative however to overcome these challenges.^v The nature of a client-pays system, and the complex CCB Centrelink and registration requirements mean that CCB is not a viable option to facilitate affordable, flexible, culturally appropriate and holistic ECEC services for Aboriginal and Torres Strait Islander communities. There are also significant limitations and challenges with current application of the CCB model, particularly concerning care for younger age groups, and children with additional needs.^{vi}

The development of a sustainable and effective early childhood education and care service model for Aboriginal and Torres Strait Islander children and families is of a pressing concern. SNAICC supports moves of the South Australian Government to take leadership in this issue and **recommends** the following:

- (a) Statewide mapping of Aboriginal or Torres Strait Islander communities against available Aboriginal or Torres Strait Islander ECEC services to identify service gaps and needs;
- (b) Amendment of the BBF program to increased, multi-year, flexible funding support with reduced administrative burdens, to allow services to operate as multifunctional services equipped to respond to the diverse wellbeing needs of their children and families;
- (c) Exploration of a sustainable model in the longer term to reflect the role of these services and support them to meet community needs – as per (2) below); and
- (d) Prioritisation of the community controlled Aboriginal and Torres Strait Islander ECEC service model in the setup of any new ECEC centres aimed at Aboriginal and Torres Strait Islander children, in recognition of the unique position of these services in delivering culturally appropriate, accessible, holistic and empowering services to Aboriginal and Torres Strait Islander communities.

(2) Children and Family Centres

Sustainable funding is similarly pressing for the Aboriginal and Torres Strait Islander Children and Family Centres (Centres). Four Children and Family Centres are currently being established in South Australia, which will provide a range of early childhood services and family support programs to Aboriginal and Torres Strait Islander communities.

The set up phase of the Centres is complex and critical, with significant pressure from the government to be moving quickly to provide services, but with longer-term relationships and partnerships to build first in order to provide effective services that respond to community need and have community support. Centres are experiencing significant hurdles in navigating relationships and developing effective partnerships, with local communities, existing services,

government and auspice agencies. These partnerships are fundamental to draw on local strengths, build a foundation for engagement of disadvantaged Aboriginal and Torres Strait Islander children, and ultimately establish an effective, responsive and sustainable Centre to support Aboriginal and Torres Strait Islander children and their families.

Aboriginal leadership and ownership of the Centres is recognised as core to their success. However, in many jurisdictions, Centres face significant challenges in establishing community-based governance structures. Multiple factors contribute to this, including: competing demands on time for service leaders; models not set up to facilitate community governance; contract demands that do not support relationship development for community partnerships; and concerns around sustainable funding for long-term community capacity development. Currently the model adopted in South Australia is for the government to manage their operation rather than transfer responsibility to Aboriginal and Torres Strait Islander community-based management. SNAICC urges consideration of community controlled models to enable communities to best respond to their services needs.

With initial Federal funding only until June 2014, these services face critical sustainability challenges. Uncertainty remains as to whether Centres will be required to fall within the CCB model after June 2014 and whether any further government support will be forthcoming. As described above for BBF services, a CCB model will not be feasible for the Centres to support their targeted disadvantaged Aboriginal and Torres Strait Islander communities and to meet their objectives, as defined in the National Partnership Agreement on Indigenous Early Childhood Development. Accordingly, many Centres have significant concerns about the expectations they are creating within communities with no certainty as to the viability of their future operation.

SNAICC **recommends** engagement of an independent consultant to develop recommendations for a funding model(s) for the provision of early childhood education, care and family support services for Aboriginal and Torres Strait Islander communities. This should explicitly recognise the community development drive of the Aboriginal and Torres Strait Islander ECEC services and their critical role in fulfilling the Closing the Gap agenda. The independent consultant would be tasked to consult with key stakeholders, explore possible models for potential application and conduct a cost-benefit analysis to recommend options for a realistic, sustainable and effective approach moving ahead. Work of the consultant should be directed and guided by an Advisory Committee comprised of BBF services, Aboriginal Children and Family Centres, peak bodies, academics and government representatives, at least 50% of whom are Aboriginal and Torres Strait Islander peoples.

(3) National Quality Framework

BBF services are currently excluded from the National Quality Framework (NQF), a key policy reform agenda for education, skills and early childhood development in Australia, of which the National Quality Standard (NQS) is a part. The Productivity Commission has itself confirmed that this will only lead to a further widening of the gap in service quality and outcomes with mainstream services.^{vii} The Government has provided \$59.4 million (through the BBF Quality Measure) to meet governance, workforce and infrastructure needs of BBF services by the NQF review in 2014. SNAICC agrees with the position of the Productivity Commission however that this is insufficient without *“a structured plan with agreed targets, and [allocated] additional funds to ensure all Indigenous-focused ECEC services achieve a rating of Meeting National Quality Standard or above within a specifically agreed timeframe, without the need for waivers.”*^{viii} Among other concerns, *“The lack of commitment to specific qualifications and*

staff-to-child ratio targets for Indigenous-focused services risks other future priorities taking place.”^{ix}

There are also concerns that aspects of the National Quality Framework are not appropriate for application to BBF services. There is a need to consider these services as community development engines, with any quality assessment process recognising this broader role. DEEWR has suggested the possibility that it may apply “*a similar, potentially less formal, process for some or all BBF services.*”^x SNAICC supports this direction, and urges the Government to invest time now to explore key objectives of a quality framework for BBF services, areas of inconsistency with the NQF and alternative possibilities for adaption.

In regards to this issue, **SNAICC recommends** that the federal and state governments initiate a process in partnership with the service sector to explore the potential consistency or inconsistency of the components of the National Quality Framework with services in the BBF Program, and develop an Options Paper for consultation on possible alternative approaches or adaptations of the National Quality Framework.

We hope that this information assists, and look forward to progress in the call for a Parliamentary Committee. We include copies of recent SNAICC submissions to the federal government’s review of the BBF program. For further information please contact myself or Emma Sydenham, SNAICC Policy and Research Manager at emma.sydenham@snaicc.org.au.

Yours sincerely,



Frank Hytten
CEO, SNAICC

Encls.

ⁱ Productivity Commission (2011) Early Childhood Development Workforce Research Report. Commonwealth of Australia, 351.

ⁱⁱ Ibid, 351-52 and 355; and Australian National Audit Office. (2011). *Multifunctional Aboriginal Children’s Services (MACS) and Crèches*. DEEWR. Canberra, 18.

ⁱⁱⁱ Department of Families, Housing and Community Services and Indigenous Affairs (FaHCSIA). (2007). *Towards an Indigenous Child Care Services Plan*. Canberra, 9.

^{iv} Australian Institute of Health and Welfare. (2009) ‘Aboriginal and Torres Strait Islander Children’ in *A Picture of Australia’s Children 2009*, 136.

^v See further the SNAICC submission to the SNAICC Submission to the Department of Education, Employment and Workplace Training (DEEWR). (2012). *Quality Early Childhood Education and Care for Children in Regional, Remote and Indigenous Communities: Review of the Budget Based Funding Program*, Melbourne. This document is included with this submission, or available at <http://www.snaicc.org.au/uploads/rsfil/02897.pdf>

^{vi} For more information on this see also the submission from Jumbunna Indigenous House of Learning at University of Technology Sydney (available at http://www.jumbunna.uts.edu.au/researchareas/newmedia/JUMBUNNA_DEEWR_SUB_BBFP_FINAL2.pdf)

^{vii} Productivity Commission (2011) Early Childhood Development Workforce Research Report. Commonwealth of Australia, 364.

^{viii} Ibid.

^{ix} Ibid.

^x Department of Education, Employment and Workplace Relations (DEEWR). (2012). *Quality Early Childhood Education and Care for Children in Regional, Remote and Indigenous Communities: Review of the Budget Based Funding Program*. Canberra, 15.



Secretariat of National Aboriginal and Islander Child Care

**SNAICC Submission to the Department of Education,
Employment and Workplace Training (DEEWR)**

**Quality Early Childhood Education and Care for Children in
Regional, Remote and Indigenous Communities
Review of the Budget Based Funding Program**

21 September 2012

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Introduction

SNAICC welcomes the opportunity to participate in the discussion on the future of the Budget Based Funded (**BBF**) program for early childhood education and care (**ECEC**) services. BBF services have provided a fundamental support to children, families and communities for decades. Being owned and run by communities has meant that their understanding of and relationships with communities has enabled effective and responsive programs that build on community and cultural strengths, and attain great outcomes for children and families. Despite significant challenges in funding, infrastructure and workforce development support, these services continue to be a bedrock for Aboriginal and Torres Strait Islander families around Australia. This review provides an opportunity to redress some of the challenges that BBF services face and better enable them to provide quality, culturally safe environments in which children will flourish.

SNAICC strongly believes that any reform of the BBF program must respond to and seek to address the persistently low educational, health and wellbeing outcomes experienced by Aboriginal and Torres Strait Islander children. Critical to this is recognising the concerns recently identified by the United Nations (**UN**) Committee on the Rights of the Child regarding “The serious and widespread discrimination faced by Aboriginal and Torres Strait Islander children, including in terms of provision of and accessibility to basic services”.¹ There is extensive and well established evidence that investment in early childhood education for Aboriginal and Torres Strait Islander children is “fundamental to attempt to reverse the historic and continuing health, social, economic and political disadvantages they face”.² Drawing from this, SNAICC considers it imperative that the Australian government consider this an opportunity to respond to the UN Committee’s recommendations to increase availability and access to early childhood education for Australia’s children by considering providing free or affordable early childhood services.³

This submission responds to and is informed by the questions contained within the Department of Education, Employment and Workplace Relations (**DEEWR**) discussion paper *Quality Early Childhood Education and Care for Children in Regional, Remote and Indigenous Communities*. This submission does not answer these questions in a direct, linear fashion, but instead it seeks to respond to the issues raised within the discussion paper through the following structure:

- Section A: Executive Summary
- Section B: Background context
- Section C: Consideration of the principles fundamental to Aboriginal and Torres Strait Islander ECEC services;
- Section D: Consideration and practical examples of the constraints and relevant issues with the current BBF model;
- Section E: Consideration and practical examples of the constraints and relevant issues with the Child Care Benefit (CCB) model; and
- Section F: A discussion and ideas for a revised future BBF model.

Section A. Executive Summary

- This review is a prime opportunity to review the current challenges faced by the BBF model and to begin the process of building a future for Aboriginal and Torres Strait Islander early childhood education and care (**'ECEC'**) services that is based on an equitable, sustainable and effective model. Imperative to this review process is that it is given sufficient time, and involves the active participation and contribution of Aboriginal and Torres Strait Islander people, ECEC services and sector experts.
- BBF services operate in urban, regional and rural areas to provide holistic education and care opportunities to Aboriginal and Torres Strait Islander children, families and communities. They are extremely diverse services with diverse operational and funding needs.
- The historical BBF funding model provides a strong foundation for effective service delivery but contains many challenges that limit its current effectiveness and scope for Aboriginal and Torres Strait Islander ECEC services. Funding constraints lie at the core of these challenges.
- Identification of core governing principles for Aboriginal and Torres Strait Islander ECEC BBF services should guide consideration of an effective funding program.
- In particular, early childhood services need to reflect and respect the complexities of Aboriginal and Torres Strait Islander family and community strengths and needs. While they should be resourced to retain and extend the cultural and social strengths, they also need to counter the damages of past indignities and meet pressing additional needs. Therefore any funding program must be assessed by whether they can meet the complex needs of our communities.
- While there are limitations in the current BBF model, simply shifting services to the other current alternative available, a Child Care Benefit (**'CCB'**) model, is clearly not the answer. Many services and sector experts have reinforced to SNAICC serious reasons why the model would be incompatible for many Aboriginal and Torres Strait Islander early childhood services. These range from the philosophy and objectives of the model, to substantial technical and administrative challenges with its requirements. A shift to CCB may have grave implications then, particularly in light of the current pressures and limitations of the system.
- The current Federal Government policy agenda recognises the importance of early childhood for positive outcomes for children and in reversing cycles of disadvantage. It is also investing significantly in achieving equality between Indigenous and non-Indigenous Australians.
- Any changes to the current non-mainstream ECEC model must ensure that they advance rather than undermine this agenda. In particular to move towards these outcomes, early childhood education and care services must be accessible, particularly to those most excluded, of high quality, responsive to community needs and culturally appropriate.
- A flexible method to determine eligibility for the BBF program would assist in ensuring consistency and equity. This could be based on a demonstration of need for support by ECEC services through each three year funding proposal, therefore allowing consideration of any change in service needs over time. Fair means of review would be essential to this approach.
- SNAICC urges that the current national consultations be followed by more in depth work with experienced practitioners in BBF services and Aboriginal and Torres Strait Islander early childhood experts to really understand the complexities of service needs, and the tools or models required to value the strengths of communities and

obtain strong outcomes for children, and to interrogate how diverse community needs translate into an effective national funding program.

Section B. Background context

Strong evidence indicates that the early years from 0-8 are critical in a child's development, and that "investment in early education, particularly for disadvantaged children, is more effective than intervention at later ages."⁴ A number of international studies indicate that high quality early childhood programs that focus on children as active program participants and focus on improving parenting skills provide greater returns on investment than those focusing on family economic circumstances.⁵ Outcomes from such programs include "improved health status, cognitive skills, achievement motivation, and school readiness in the short term as well as school achievement, educational attainment, and reductions in remedial services and criminal behavior in the longer term."⁶

The current Government policy agenda reflects a shift in priority towards investment in the early years, specifically through the *Investing in the Early Years: A National Early Childhood Development Strategy*, 2009 ('**Early Years Strategy**'), and the new reform agenda for early childhood education and care outlined in the National Quality Framework ('**NQF**'). Furthermore, early childhood is one of the seven interrelated 'Building Blocks' developed to support the 2008 COAG agreed reforms to close the gap in Aboriginal and Torres Strait Islander disadvantage, and the 2008 Council of Australian Governments ('**COAG**') National Partnership Agreement for Indigenous Early Childhood Development, 2008 sets out the path forward for this.

Early childhood development within this overarching policy context is framed as encompassing:

- all aspects of children's development (cognitive, learning, physical, social, emotional and cultural);
- supporting "all children, and providing additional help for those children most in need to reduce social inequalities",⁷ and
- focusing on "respect for diversity and difference as a strength, and helping children develop a positive sense of self and culture."⁸

To meet these aims, programmatic responses therefore need to encompass and support holistic, culturally competent care and development services that focus on addressing societal inequities and increasing access for the most disadvantaged.

Section C. Principles fundamental to Aboriginal and Torres Strait Islander ECEC services

This section introduces the key principles that underpin Aboriginal and Torres Strait Islander early childhood services. The seven elements are drawn from a wealth of evidence, historical and recent, that outlines what works in delivering early childhood services to Aboriginal and Torres Strait Islander children and families. These elements need to be considered within and operationalised by the future funding model.

1. Innovative governance and self-determination

A wealth of evidence from national and international literature demonstrates that service governance models that foster Aboriginal and Torres Strait Islander leadership and

ownership lead to improved service delivery outcomes⁹ that directly benefit children and families.¹⁰ Recent SNAICC research highlights the relevance of self-determination for improved and better integrated service delivery, citing compelling international evidence that “the best outcomes in community well-being and development for Indigenous peoples are achieved where those peoples have control over their own lives and are empowered to respond to and address the problems facing their own communities.”¹¹ Further evidence indicates that when Indigenous communities “make their own decisions about what development approaches to take, they consistently out-perform external decision makers on matters as diverse as governmental form, natural resource management, economic development, health care, and social service provision.”¹² The principle of active participation of and engagement with Aboriginal and Torres Strait Islander communities is recognised within the National Indigenous Reform Agreement (**NIRA**) as fundamental in designing programs to effectively overcome disadvantage; “Through improved engagement, Indigenous people are being made central to the design and delivery of services and programs. The aim is to build responsibility and capacity at the personal and community level and lay the basis for lasting change.”¹³

This principle is confirmed by the UN Committee on the Rights of the Child, which states that the right to education requires that educational programs are developed in collaboration with Indigenous communities so as to best address their specific needs, and that Indigenous communities have a right to establish “their own educational institutions and facilities, provided that such institutions meet minimum standards established by the competent authority in consultation with these peoples.”¹⁴ Article 14 of the *United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)*, to which Australia is a signatory, reaffirms that through their own educational institutions Indigenous people have the right to provide education “in their own languages (and) in a manner appropriate to their cultural methods of teaching and learning.”¹⁵ This is particularly important in early childhood with strong cultural identity forming the bedrock for later development.¹⁶

As the recent Australian National Audit Office review of Aboriginal and Torres Strait Islander service delivery capacity recognised, there is a critical need for greater investment in Aboriginal and Torres Strait Islander controlled services as a priority not just for effective service delivery, but as a policy objective in itself, “in so far as it promotes local governance, leadership and economic participation, building social capital for Aboriginal and Torres Strait Islander peoples.”¹⁷ The recent NSW Ombudsman report on addressing Aboriginal disadvantage also provides key learnings in this area – highlighting a lack of Aboriginal and Torres Strait Islander participation and ownership as a major contributor to the failure of government policies to address Aboriginal and Torres Strait Islander disadvantage.¹⁸

Service example

A number of Aboriginal and Torres Strait Islander services identified in recent SNAICC consultations that community governance mechanisms are vital supports to ensure that the service is truly managed by, reflective of and responsive to the community. For example, Yappera MACS in Victoria felt that having a committee made up of parents, grandparents or other family members who are both actively involved and invested in the service *and* in the local community enables the service to better respond to community needs. Committee members often have strong historical connections with the centre – with a number of Board members involved with Yappera for up to 20 years. Board members are therefore invaluable partners in ensuring that Yappera remains connected to its history and long-term objectives, and retains a strong connection with the community.

2. Strengths based, quality service provision

A strengths based approach to ECEC service provision builds on existing family and community strengths and expertise to develop children's and families' capacity, confidence and pride. It utilises Aboriginal and Torres Strait Islander culture and languages, recognizing – as stated in the House of Representatives recent report on Aboriginal and Torres Strait Islander traditional language development - the multitude of evidence that “early childhood Aboriginal language and cultural programs lead to increased self-esteem, improved academic performance, improved school attendance, reduced drop-out rates and better proficiency in reading skills in both the Indigenous language and English.”¹⁹

It requires active community participation, “encouraging and facilitating communities ‘doing it for themselves’ rather than ‘being done to’.”²⁰ The National Early Childhood Development Strategy describes this as “engaging and empowering parents and communities in early childhood development and services”, highlighting this as an essential component of a responsive early childhood service.²¹ A strengths based approach is particularly important for Aboriginal and Torres Strait Islander families and communities, for whom past policies, structures and histories have eroded self-esteem and social cohesion. In overcoming this, therefore, a critical element of an empowering, strengths based approach is recognising each family and community's unique context and qualities. As Sims describes, “It is essential to remember that each family/community/culture has different strengths, not all of which are recognised as strengths in a white, middle-class world.”²²

Service example

Many Aboriginal and Torres Strait Islander ECEC services see their role as being proactively engaged in the development of their local community. The Director of the Tasmanian Aboriginal Children's Centre described to SNAICC how partnerships with families strengthens partnerships with the community, explaining that, “I don't think we've ever thought this place is about strengthening just children, this place is about building a stronger community.” She feels that their community development approach has myriad benefits for children, helping to build a stronger community and parents who can support their development, and helping to strengthen children's identity and connection. She describes that “MACS centres aren't just services to the community, they're part of the community.”²³

Essential to a strengths based approach is recognising and valuing quality within Aboriginal and Torres Strait Islander ECEC services – which may look different to quality in non-Aboriginal and Torres Strait Islander ECEC services. The Early Years Learning Framework (EYLF), a key element of the National Quality Standard, is a positive shift in the sector towards a strengths based approach that provides flexibility to provide a strong standard of quality that can then be applied to reflect the differences of local community contexts. Drawing on recent SNAICC consultations with 14 Aboriginal and Torres Strait Islander BBF services, it is clear that Aboriginal and Torres Strait Islander ECEC services are effectively implementing the EYLF, and, critically, that the Framework provides flexibility for services to demonstrate their own unique, context-specific approaches to quality service provision.²⁴

3. Values and incorporates identity and culture

A wealth of literature highlights the importance for Aboriginal and Torres Strait Islander children of early childhood service models that “acknowledge and affirm Indigenous culture and build positive cultural identity.”²⁵ Aboriginal and Torres Strait Islander families have identified that a critical factor in their engagement with a child care service is the ability of the service “to recognise and incorporate cultural practice into the way the child and family is dealt with.”²⁶ The NIRA affirms this, setting out that “Connection to culture is critical for

emotional, physical and spiritual well being. Culture pervades the lives of Indigenous people and is a key factor in their wellbeing – culture must be recognised in actions intended to overcome Indigenous disadvantage....Efforts to Close the Gap in Indigenous Disadvantage must recognise and build on the strength of Indigenous cultures and identities.”²⁷

Aboriginal and Torres Strait Islander ECEC services incorporate culture on an everyday, incidental basis by focusing on developing children’s identity, sense of belonging and pride within their community, family and culture.²⁸ Whilst many mainstream early childhood services do aim to be inclusive of Aboriginal and Torres Strait Islander culture, there are important distinctions. Aboriginal and Torres Strait Islander ECEC services, for example, naturally embrace culture as central to every aspect of service delivery: it is not something external, but inherent in what they are. This creates a sense of cultural safety for families.²⁹

Service example

Reflecting culture on a deep level involves using it to engage children in learning experiences. Birrelee MACS in Tamworth has worked collaboratively with Macquarie University to do this - designing numeracy and literacy resources that reflect the children’s culture. The Director describes how this engages children in topics they may not be interested in, “So the numeracy may not engage the child but that sense of connection and identity (within the resource) engages the child.” She emphasises “our learning experiences have to be culturally centred, and I think that’s why our kids struggle at school, because it becomes a secondary thing or an optional extra. Whereas here it’s our daily experience.”³⁰

4. Holistic and responsive to community needs

Holistic and responsive services seek to cater for a child’s comprehensive developmental needs, including language development, speech and hearing support, etc. These need to be part of an integrated approach and not considered as add-ons to a program. Holistic early childhood services also need to provide a range of services beyond child care and development programs,³¹ including health, family support and capacity building, nutrition and early intervention. These additional programs have been identified by families and services alike as critical to increasing families’ access and engagement with an early childhood service.³² The provision of such additional programs in an integrated approach is also critical to meeting broader family needs³³ and overcoming disadvantage in early childhood. This requires “a holistic approach that addresses children and families in the context of their communities and cultures, taking into account children’s physical and mental health, emotional wellbeing and development.”³⁴

Such an integrated approach is defined in the National Early Childhood Development Strategy, which states that “Services for children and their families are linked in different ways, depending on local needs and circumstances, to promote a holistic response to each child and family situation. This includes integration, whether physical or virtual, that encourages interdisciplinary approaches to meeting the needs of children and their families...”³⁵ The National Partnership further defines that “Early childhood experts advocate integrated delivery of services, including antenatal services, child and maternal health services, parenting and family support services, and early learning and child care, as the best delivery platform to ensure families actually receive the support they need.”³⁶ This approach is recognised by the UN Committee on the Rights of the Child as being a positive shift towards “a coordinated, holistic, multisectoral approach to early childhood”, recognising that the traditional divide between education and care services has not always been in children’s best interests.³⁷ SNAICC research on integrated service delivery has identified that

genuine and respectful partnerships are key to the provision of holistic, integrated services.³⁸ Effective integration requires collaboration at various distinct levels, including “regional and local service development (and) management and coordination.”³⁹

A recent UN review of Australia’s child rights record recommended that the Australian government “further improve the quality and coverage of its early childhood care and education...with a view to ensuring that it is provided in a holistic manner than includes overall child development and strengthening parental capacity.”⁴⁰ Many BBF services, such as the MACS, offer a strong model of this type of service provision.

A final critical feature of holistic services is that they target their programs and approach to the specific needs and context of their local community. This involves the capacity to spontaneously adapt to short-term needs and/or changing community dynamics – such as an increase in children visiting with their families for cultural business. It also involves a capacity to reflect longer-term community priorities and requirements, for example responding to an identified need for literacy support. This is reinforced by the UN Committee on the Rights of the Child, which sets out that governments need to ensure that ECEC standards are “tailored to the circumstances of particular groups and individuals...(States) are encouraged to construct high-quality, developmentally appropriate and culturally relevant programmes and to achieve this by working with local communities rather by imposing a standardised approach to early childhood care and education.”⁴¹

Service examples

Recent SNAICC consultations identified that a number of services provide nutritional programs as part of their service. These provide a useful example of how an early childhood service can provide additional programs.

Congress Child Care Service in Alice Springs has identified a particular need for children who are failing to thrive. Working in collaboration with their parent body’s health clinic they provide specialised care and a nutrition program for these children. As the Director explains, this is about looking at “what sort of things we can do to improve these children’s weight while they’re in care here”.⁴²

Tamworth-based Birrelee MACS works with a dietician to conduct regular cooking activities with the children and share recipe examples with families that can be cooked on limited budgets. Through this approach they have noticed tangible positive differences in children’s eating habits.⁴³

5. Community not centre focused

Aboriginal and Torres Strait Islander ECEC services are about meeting the needs of *all* children in the community.⁴⁴ Services focus not on just the children attending the centre but seek to reach all children who may be in need. This is achieved, for example, through outreach, mobile services, and provision of care to children visiting the community. This “community approach to child care is consistent with a ‘traditional’ Indigenous approach.”⁴⁵ This principle is supported within the National Early Childhood Development Strategy, which states that a key element of a responsive ECEC services is “active service outreach into the community”.⁴⁶

Such an approach addresses the well-documented challenge of the lower rates of Aboriginal and Torres Strait Islander children’s participation in early childhood care.⁴⁷ The barriers to their participation are not simply the low availability of services in a given area, as one report notes “Increasing the number, scope and capacity of services did not necessarily

mean Indigenous families accessed and engaged with these services.”⁴⁸ Barriers centre around unmet cultural or support needs of families; remoteness or lack of transport; negative associations with institutions and government services; and lack of cultural competent staff.⁴⁹

A key service delivery principle within the NIRA is that services “should be physically and culturally accessible to Indigenous people recognising the diversity of urban, regional and remote needs.”⁵⁰ Whereas mainstream child care services are established to support families working or studying, Aboriginal and Torres Strait Islander ECEC services prioritise access and engagement for Aboriginal and Torres Strait Islander children not accessing, or not likely to access, mainstream services. They target their services to improve access for the most disadvantaged members of a community, and through their unique features they overcome many of the identified barriers Aboriginal and Torres Strait Islander families experience in accessing early childhood services.⁵¹ One example of this is the community management committees discussed above, which help families to feel that the service is part of and owned by their community.⁵²

These concerns are supported by earlier evidence from the UN Committee on the Rights of the Child that Indigenous children “are among those children who require positive measures in order to eliminate conditions that cause discrimination and to ensure their enjoyment of the rights of the Convention on equal level with other children.”⁵³ This lies behind States’ responsibility to ensure that Indigenous children can enjoy their right to education through allocated and targeted resources specifically aimed at increasing Indigenous’ children’s access to education.⁵⁴ Review of the BBF program provides an ideal opportunity to instigate positive measures to increase Aboriginal and Torres Strait Islander children and families’ access to and engagement with ECEC services. This is consistent with NIRA service delivery principle of priority that: “Programs and services should contribute to Closing the Gap by meeting the targets endorsed by COAG while being appropriate to local community needs.”⁵⁵

Service examples

Broome-based service Jalygurr Guwan operates a mobile outreach service to provide education, care, health and parenting services for approximately 10 families a week who would not normally access a child care service.

Outreach services are a key form of targeted support identified within the National Early Childhood Development Strategy as effective in reaching high need and/or at risk children and families.⁵⁶

Service example

During recent SNAICC research many services identified that the trust families have in them as an Aboriginal and Torres Strait Islander organisation means that the most vulnerable families in the community will access the service. The Director of one regional service cites the example of a vulnerable family who came to the centre for help because they “were told that this was a safe place to go”, and attributes this to the community’s trust in them as a local service with local staff.⁵⁷

6. Supports ongoing learning, information-sharing in and across sectors, and innovation

Ongoing learning within an early childhood centre means that educators and staff “become co-learners with children, families and communities, and value the continuity and richness

of local knowledge shared by community members, including Aboriginal and Torres Strait Islander Elders.”⁵⁸ This involves educators working within a cycle of reflective practice in which “current practices are examined, outcomes reviewed and new ideas generated.”⁵⁹ It means learning from practice, engaging with other services and having the flexibility to innovate based on local needs, strengths and opportunities. Therefore, ongoing learning is also about staff staying closely in touch with local needs and accordingly adjusting services to meet those needs, as discussed under Principle 4 above.

7. Sustainability

Lastly, Aboriginal and Torres Strait Islander ECEC services must be built upon and supported by sustainable foundations, which encompasses several elements.

Local workforce development

Numerous studies have articulated the benefit of having Aboriginal and Torres Strait Islander staff to improve families’ access and engagement with a service.⁶⁰ Sustainable, long-term outcomes for Aboriginal and Torres Strait Islander children, families and communities, requires service designs that enable capacity building for local Aboriginal and Torres Strait Islander community and organisations.⁶¹ Training and workforce development for local community members are central to this, in ensuring a skilled, qualified, long-term and culturally appropriate workforce who understand the local culture and community. Services need to be able to take on untrained local workers, who they can then support to gain their qualifications. This involves an understanding that the staff may not stay on at the service, but that the service will play an important role in enabling their career development. This then contributes to the pool of skilled workers within the community. Supporting this, the NIRA sets out that a key element of service sustainability is ensuring that attention is paid to “building the capacity of both Indigenous people and of services to meet the needs of Indigenous people, particularly: (i) developing the skills, knowledge and competencies, including independence and empowerment of Indigenous people, communities and organisations.”⁶²

Adequate long term funding

Planning for sustainable, long-term funding is crucial to ensure ongoing, viable service delivery, community ownership and to facilitate and foster community planning in the long-term.⁶³ SNAICC has identified that a key principle in integrated services for families and children is that “Funding bodies make long-term commitments to providing secure and adequate funding for quality service delivery (and that) Government is up-front and transparent about future funding arrangements.”⁶⁴ In a 2012 paper the Australian Institute of Health and Welfare identified that long-term and stable funding and the delivery of long-term programs, are key factors in improving accessibility for Aboriginal and Torres Strait Islander families to ECEC services.⁶⁵ Short-term funding is linked to ‘initiative fatigue’, where families lose motivation to continually engage in new, short-term programs.⁶⁶ Shorter timeframes also hinder the building of relationships between program providers and families, and do not allow sufficient time to work through complex issues – such as health concerns.⁶⁷ The paper also identifies that a further key element is that a service is economically accessible for families.⁶⁸ For a more detailed discussion of the implications of this see Section D, Part 1.

Adequacy of funding is also clearly a fundamental aspect of quality ECEC service provision for Aboriginal and Torres Strait Islander children. A number of key reports have noted the lack of increase in funding to Aboriginal and Torres Strait Islander services to date,⁶⁹ and the need for additional funding in the short-term to ‘close the gap’. In particular, appropriate

funding would address service's urgent and ongoing infrastructure and workforce development needs, and would recognize the necessity of overcoming additional needs Aboriginal and Torres Strait Islander communities face due to factors such as colonization, intergenerational trauma and depletion of parenting skills caused by the Stolen Generations, and entrenched poverty.

Operational structures and systems that are determined by services and respond to service context

The National Early Childhood Development Strategy identifies that to better respond to and engage with children and families requires flexibility within funding and administrative arrangements.⁷⁰ SNAICC research also identifies that flexibility within government funding frameworks is a key principle in ensuring a strengths based approach to integrated service delivery, and to enable targeted and innovative community-based service design that responds to local needs and priorities.⁷¹ This requires "Flexible frameworks and service contracts to enable local service design that reflects local Aboriginal and Torres Strait Islander priorities and aspirations."⁷² Such systems are also vital in ensuring service empowerment and self-determination.

This means sufficient flexibility to enable a service to develop the content of its own program, including the most essential services, and to define how those services are provided. Budgetary and reporting requirements must also appropriately respond to a service's context and type. In particular, the relevancy of reporting requirements will vary between a small, mobile children's service providing a fortnightly playgroup, and a large, centre-based long day care centre.

Operational structures and systems must also be sufficiently flexible to cater for the very diverse types of service models currently required to meet the needs of communities around Australia. This includes, playgroups, mobiles, long day care centres, crèches, and Out-of-School-House care. There is also a need to be able to reshape models as the community needs change over time. Research indicates that "Perceiving child care as a continuum of options (along which communities can move in either direction) enables communities to build on current strengths and work together towards planning for their future."⁷³ This allows services to establish and foster relationships with children and families, and to introduce families to early childhood services. For example, in many communities informal playgroups have created accessible entrance points to early childhood care for new families. Such 'soft' entry points are a key way to enable access to services for hard-to-reach families, including Aboriginal and Torres Strait Islander families.⁷⁴ Once established within a community, and where community demand dictates, the playgroups can then transition to more formal child care services. This gradual process of transition enables services to ensure that they are built on strong, foundational relationships with community, and that they respond and are tailored to community needs.

As one report states, "Service development, community needs and appropriate infrastructure must be bound together and synchronised. This requires ongoing assessment and consultation with communities. This ensures adequate facilities and a sense of ownership over the usage of buildings, for example, and can be critical in the development and sustainability of the service."⁷⁵

Introduction to Sections D and E

The issues and concerns outline in Section D and E have been relayed to SNAICC through discussions with: Aboriginal and Torres Strait Islander BBF and CCB early childhood services from across Australia; Indigenous Support Units ('IPSUs'); SNAICC National Executive members working in the early childhood sector; representatives from peak bodies and other relevant early childhood organisations; and sector experts. The structure of each element is as follows:

- A short explanation of the issue or concern;
- Where relevant, an evidence-based substantiation of the concerns raised by reference to relevant sector reports and literature;
- Brief individual service examples that highlight the practical effects of a particular issue; and
- Potential possible alternatives that have been proposed from the sector or from the literature.

Section D. Consideration and practical examples of the constraints and relevant issues with the current BBF model

1. Longer funding cycles

Issue

The current method of one-year funding cycles presents various issues. In particular it:

- Limits services' ability to conduct long-term, strategic planning,⁷⁶ and to save money for larger or one-off projects such as vehicle replacement, building maintenance or general depreciation;
- Creates a significant administrative workload for both services and contract administrators;⁷⁷
- Can create a perception of service instability amongst staff, which can effect their commitment to the service;
- Can create challenges when employing new staff – such as trainees, or supporting staff to further their qualifications – when it is not known whether the service will be able to employ that person the following year; and
- Creates pressure to spend funds within the year to ensure budget levels are not decreased, as unspent funds cannot be carried over to the following year.

Evidence

A key COAG *Closing the Gap* service delivery principle is sustainability, with programs and services to be "directed and resourced over an adequate period of time to meet the COAG targets".⁷⁸ Key to this is ensuring that attention is given to "ensuring adequate and appropriate resources, particularly...considering workforce supply and future planning." Based on these concerns, the Australian National Audit Office has stated that there would be merit in DEEWR exploring the benefits of multi-year funding arrangements, which it states the Department has in theory agreed with.⁷⁹ Multiple year contracts would afford service providers greater flexibility in how they use their funding, which ANAO states would "allow them to cater for local changes in demand and circumstance..."⁸⁰

Possible alternative

A number of services and sector reports have indicated that a solution to this challenge is extended - for example three to four-year - funding cycles that would enable services to conduct longer-term, sustainable future planning to better meet the needs of their communities and families.⁸¹ This would contribute to addressing the sustainability issues identified in Section C, Part 7.

See Example 3.1 for an example of the restrictions of the one-year funding model.

2. Need for additional services

Issues

Many services are struggling under current budget restrictions to deliver more than just child care, and have been forced to make budget reductions – for example cutting transport, staff, nutrition or other programs to continue operating.

Evidence

The lack of budgetary provision for additional services was identified as a particular issue for Multifunctional Aboriginal Children's Services (MACS) as far back as 2000, when SNAICC identified that the funding model was still essentially a model for the provision of long day care, and that whilst this was, and continues to be, an important component of MACS it is not the only thing they do: "MACS...are expected by their communities to do many things but are funded to do one thing."⁸² This issue is not limited just to MACS, but extends to all BBF services, with one report identifying that,

A number of service providers talked about the types of services they want to offer, services they perceive as vitally important to the future of their communities, but they are unable to do so because the desired program is not part of their child care funding, they do not have the expertise to apply for alternative sources of funding, or they have had success with alternative funding but this is not available on an ongoing basis. A number of service deliverers talked in despair of quality programs they had been running but are now closed, or are closing, because non-renewable funding had run out and they could not find alternative sources.⁸³

There are several common features amongst services who do deliver additional programs. One of these is having a proactive Director, often non-contact, who is able to utilise professional networks to create and sustain partnerships with other organisations who have the capacity to co-deliver these programs. However, not all services have the capacity or are able to source such a Director. A further feature is having an umbrella or parent body who provides additional programs to the community. However, where services do not have these, "Limited capacity for administration of government funds can prevent some organisations that are well-placed in an Indigenous community from providing necessary services."⁸⁴ This is defined as a provider level barrier in enabling Aboriginal and Torres Strait Islander families to access ECEC services.

This issue is not about providing specialist services, but about providing services that are essential to ensuring access, engagement in a service, and a holistic response to children's learning and developmental needs. This aligns with and is verified by the Government's agenda to promote and support quality, integrated services that seek to 'close the gap' in early childhood outcomes.

Aboriginal and Torres Strait Islander early childhood services have identified to SNAICC that the essential services they need to provide to cater for their communities' needs include;

- Culturally centered and affordable early childhood care and development programs;
- Transport to and from the centre;
- Food and/or nutrition programs;
- Health programs; and
- Parenting and/or family support programs.

A key paper informing the 2007 National Indigenous Child Care Services Plan identified that the future funding model “should respond to and provide for all the core elements of any service (transport, health, nutrition, early learning, culture and family support) and appropriate service infrastructure and administration.”⁸⁵

To look at two of these elements in more depth, the provision of transport has been recognised as a major contributing factor to Aboriginal and Torres Strait Islander participation in ECEC services – both by families and service providers.⁸⁶ This issue affects both rural and urban areas, with a government respondent in one study identifying that “The bus is the umbilical cord to the service, if it breaks down it's really low”. As one parent states from the same study describes “Without the bus service I would have to travel 45 minutes every morning from the community to take my five year old to the nearest preschool. The cost of this trip in petrol alone is too much.”⁸⁷ Nutrition programs are another essential element: ensuring that children have the required energy to concentrate on learning and development; helping to teach children and families about healthy eating; and supporting children who may not be receiving their full nutritional requirements at home. These are just two out of a number of programs that evidence indicates supports improved access to and outcomes from early childhood development for Aboriginal and Torres Strait Islander children.

As discussed earlier in this paper, the provision of these additional services is vital to increase Aboriginal and Torres Strait Islander access to early childhood services, as identified by the OECD, “It is widely acknowledged that particular communities and families will experience difficulties in gaining access to ECEC unless specialist programs are provided. These include rural and remote communities, (and) Indigenous communities”.⁸⁸ These additional programs are also fundamental in addressing the well-documented disadvantage Aboriginal and Torres Strait Islander face in a number of wellbeing outcomes.

Example 2.1

Congress MACs, operating in Alice Springs, cater for a population with high community needs. However due to budgetary constraints they currently have a waiting list of nine months. The Director explains that most families do not understand that there is a waiting list – and critically - that for families who need immediate support a waiting list is “far too long to keep a child safe.” The Service Manager describes a situation they see frequently – young mothers who are trying to come out of difficult circumstances around housing, family violence and alcohol abuse issues seeking support from the centre so that they can break the cycle of disadvantage and commence study. She states that they regularly have to turn these families away – noting how “At least 3 days every week, we have a call or someone come to the Centre on this basis that we mostly need to turn away....If we cant take them, then the whole purpose of the Centre is lost.”

The MACS also naturally responds to other kinds of additional needs in the relationships that staff (majority Aboriginal) build with children. 82 per cent of children currently attending Congress are in an out-of-home care arrangement. The Director informs that for these children, “the Centre is actually the most consistent thing in their life”. She describes a cycle

of children transitioning from home to foster care, to respite care when foster families go on holidays, back to their family for reunification and then often to a different foster family. The staff at Congress know and understand these children – as the Director describes, “we know their history, we appreciate their feelings, we understand their behavioural and emotional issues that can emerge, and we know what works to bring out their strengths and to support them.”

To ensure children are receiving the support they need as they move into school, Congress sees a need for additional programs such as parenting sessions, and a transition to school program where primary schools would work in collaboration with the centre. This would enable schools to have a deeper understanding of each child’s unique emotional needs and the environment they have come from. However, the funding is not available to facilitate this most essential component. Thereby when schools do not have an understanding of the history of each child it often then just reinforce and exacerbate emotional and behavioural issues of these children.

Example 2.2

Staff at Brewarrina Mobile Children’s Service in remote New South Wales strongly feel that the provision of additional support services – such as parenting, nutritional and health programs - are critical to both encouraging and sustaining families’ participation, and to providing effective and high quality early childhood care that addresses the complexity of children’s needs. Despite this, their current budget does not enable them to provide the additional programs they feel necessary to most effectively work with their families.

Example 2.3

Yappera MACS in Thornbury, Victoria, have found that significant limitations with the current BBF funding model have forced them to close their out of school hours care (OSHC) service, and limit the additional essential services they need to run to meet the needs of their community. They estimate that a further annual allocation of \$370,000 is required to provide essential programs such as OSHC, maternal and child health, a playgroup and parenting program, and to raise staff ratios to meet obligatory national standards.

Example 2.4

Allira MACS, a Dubbo-based service, has found that the insufficiency of their budget has forced them to increase their fees and take on more working families in order to subsidize the cost of the low-income families. As a result this limits space for the low-income families to use the services.

3. Infrastructure

Issues

Due to low budgets, and the issues discussed above in regards to annual funding cycles, infrastructure maintenance and renovation remains a large challenge that is not addressed within the current funding model. Services have explained that there is little or no provision within the BBF model to upgrade their facilities or set aside money for depreciation, despite many services indicating that they operate out of older buildings in need of repairs and maintenance.⁸⁹

Evidence

A 2009 Australian Government report indicated that 20 per cent of Aboriginal and Torres Strait Islander services classified their premises as ‘poor’ or ‘very poor’, with a further 23 percent reporting that they were only ‘adequate’.⁹⁰ Whilst the BBF Quality Measure does

include an allowance for upgrading infrastructure, this does not constitute a long-term solution that will empower and resource services to sustainably manage their infrastructure requirements.

Example 3.1

Yappera MACS operates out of an 18-year-old building in much need of renovation and repairs. However due to the limitations of the funding, they have not been able to make the necessary infrastructure improvements to their building and site. They have identified that a longer funding agreement would enable greater forward planning in order to make long-term improvements to their service.

4. Cost of staff wages

Issue

The rising cost of staff wages means that the majority of service budgets are going towards wages and associated costs – leaving little for external programs, purchasing resources and other costs. Furthermore, new state and national regulations to lower educator-to-child ratios have meant that many services have had to employ new staff without receiving additional funding – which often involves cutting other programs or services. Increased budgetary pressure and inflexible budget models do not support services to retain senior, skilled staff, or to hire new highly qualified staff.

Evidence

Research has identified that once staff become qualified, services are often unable to afford the increased wage level, and as a consequence cannot retain these higher qualified staff.⁹¹ This is exacerbated by budget levels being based on set percentages of staff at various qualification levels, so that when staff gain further qualifications the increase in their wages is not catered for within current budgets.

Example 4.1

Allira MACS has a high majority of highly qualified staff who therefore sit within a higher salary bracket, resulting in the service spending a majority of their budget on staff wages. To compensate for this the service has had to cut back on staff, and are now debating whether to cut their nutrition program to save costs.

Example 4.2

Yappera MACS identifies a significant disconnect between the requirements of new national regulations and the lack of an associated increase in budget. The recent regulations have required that the service increase staff and staff wages at a cost of up to \$100,000, but their current budget has no allowance for this. As a result of these cost increases, they have had to shut down their OSHC program in order to meet these costs within their current budget. They have also had to cut back on their provision of transport for children, which compromises accessibility and service delivery for many families.

5. Reporting requirements

Issue and evidence

Several issues with the BBF reporting requirements have been identified by services and within the literature. These include:

a) Onerous reporting requirements

The reporting requirements under the BBF program are reported to be arduous and time-consuming. Generally service providers submit between five to eight reports annually, including a certified or audited acquittal. A recent 2010 Australian National Audit Office report found that 72 per cent of service reports were submitted late, and of these over 56 per cent were a month late. This meant that 67 per cent of DEEWR payments were approved after the date specified in the funding agreement.⁹² The report identified that the reporting requirements were particularly challenging for services with more limited administrative capacity.

b) Repetitive reports

The various reports required often ask the same or similar questions, requiring services to repeat information a number of times.

c) Cumulative burden of donor reports

Services with the capacity to do so often access funding from different sources in order to provide additional programs and services. Some ECEC services have reported feeling overwhelmed by the multiple reporting requirements they face.⁹³ The National Early Childhood Education Strategy states that given the complexity and multiple funding sources on offer across the ECEC sector, to better respond to and engage with children and families requires “Accountability mechanisms capable of capturing this complexity without overburdening service providers.”⁹⁴

d) Inadequacy of report contents

Whilst DEEWR’s reports have recently been streamlined, a further concern expressed by services is that the current reporting format does not allow them to showcase the quality of the work they are doing, being more focused on quantitative rather than qualitative data.

Example 5.1

Brewarrina Mobile Children’s Service is required to produce bi-annual service reports. The Director estimates that the most recent of these required approximately 28 hours of work, and totaled 110 pages. Staff feel that this is a highly unsustainable requirement.

Section E: Consideration and practical examples of the constraints and relevant issues with the Child Care Benefit (CCB) model

Recognising that Government views CCB as a potential alternative model to the BBF program in order to open up funding amounts, the next section considers whether CCB is a viable option or not, and explores some of the potential limitations and challenges within the model. As with Section D, the information presented reflects discussions SNAICC has participated in, in particular drawing on reflections from services who have transitioned from BBF to CCB, or who have always operated under CCB but who also service Aboriginal and Torres Strait Islander populations. The same structure has been used to present this information.

6. Incompatibility with Aboriginal and Torres Strait Islander ECEC service objectives

Issue

Services are concerned about two major impacts resulting from a shift to CCB that would directly contradict the mandate of Aboriginal and Torres Strait Islander ECEC services, and

shift service focus to creating profits, instead of supporting all children and families within their community:

- Firstly, to be viable under CCB services would need to raise fees – which would limit access for the most disadvantaged families in the community. This would result in a flow-on effect whereby families’ access to the additional programs so integral to Aboriginal and Torres Strait Islander ECEC services would also be cut off.
- Secondly, operating under CCB would create pressure for services to maintain high enrolments. This which would force a shift in focus from providing for the most disadvantaged children in the community to prioritising access for families who can afford to pay fees. One report, drawn from extensive consultations with services, identified significant concerns about a utilization funding basis, “because this disadvantaged Indigenous services dependent upon a population with quite different needs to the general community”, and who were often absent for cultural and family reasons.⁹⁵

Evidence

As stated by DEEWR, BBF services operate in areas “where mainstream or conventional child care services are not available or viable, and where there is a need for culturally competent services, in particular Indigenous focused child care.”⁹⁶ Aboriginal and Torres Strait Islander communities resoundingly affirm that their early childhood services are not purely about supporting families’ work choices and/or providing children with early childhood development opportunities; they are about holistically supporting the wellbeing of all children and families in the community. They also act as key hubs to link families in with a variety of early childhood support services such as parenting and child health programs. However, a user-pays model inherently risks children’s participation in a service being terminated due to unpaid fees and/or families not adhering to administrative requirements. This is directly counter to the BBF philosophy of fostering participation of all children in a community, regardless of family circumstances or capacity to pay.

Example 6.1

Yarrabah PCYC School Age Care operates in Yarrabah, a Queensland community with nearly 100 per cent Aboriginal and Torres Strait Islander population. The centre opened in 1998, running a drop-in centre until 2003 when, upon receiving BBF funding, it commenced vacation and after-school care.

Yarrabah transitioned to CCB funding in 2005. DEEWR felt that CCB would be viable at Yarrabah due to the high numbers of eligible children (980 children in the community, and with - at that stage - 130-150 children attending daily). However, many children have become ineligible under CCB, because of:

- Inconsistencies between a child and carer’s Centrelink details and Yarrabah’s records (often caused by misspelt names or incorrect birthdates);
- Lapsed immunisation or missing immunisation records; and
- Children living with multiple families – meaning that the adult claiming child support for the child changes frequently without information being passed on to Yarrabah.

This has left Yarrabah unable to claim CCB for these children and therefore substantially unable to meet its budget. It has also resulted in a drop since 2005 from 130-150 children attending daily, to 40-50.

Based on the community context, Yarrabah PCYC also does not charge fees. Although 45 kilometers from Cairns, Yarrabah is an isolated community with high unemployment and low personal wealth. Most families do not have their own transport, and so obtaining and

sustaining work outside the community is challenging. The centre's management know that to charge even minimal fees would deter almost all families from sending their children to the centre and so covers all gap fees within the centre's budget.

Children's intermittent attendance at Yarrabah, has also meant that the CCB allowable absences requirement is unworkable. Of the 40-50 children attending daily, about 10 % attend for three or more days a week. Most children therefore exceed their allowable absences within the year. Once their CCB has been terminated, the centre then has to cover the full fees. All of these factors lead to a heavy and unsustainable financial burden on the service.

Yarrabah has sought to counter these challenges. Since 2006 Yarrabah has run two annual open days to sign up new children and correct enrolment and Centrelink details for enrolled children. However, the higher numbers of children registered under CCB quickly fades. Required to operate with minimal staff, Yarrabah does not have the staff capacity to constantly monitor and maintain the administrative requirements to ensure that children do not drop out of the Centrelink CCB system.

Since the transition to CCB, attendance has consistently fallen. Because Yarrabah covers the CCB gap fees - and in many cases full fees – they have had to make difficult decisions in order to continue operating. Required staff cuts have meant that staff to child ratios cannot be met, and child numbers must therefore be reduced to comply with state and national regulations. The centre therefore currently caters for an average of 40-50 children per day, or roughly one third of the children participating under BBF funding.

Yarrabah has also had to reduce its opening hours and cut back its program to save money. The program now runs from 3pm – 6 pm (rather than until 6.30pm), with the evening program (6pm - 9pm) reduced to a basic program. This has led to reduced attendance. The centre has also had to sell their larger bus, relying now on one small bus to pick up and drop children.

Yarrabah experiences a \$300,000 deficit between funding received and funding required to operate. The centre is currently heavily subsidised by the Queensland PCYC Head Office. Whilst Yarrabah does apply for and receives some grant funding, most grants are not available for operational funding, which is the most pressing need.

Yarrabah PCYC operates to provide disadvantaged children with a safe, secure and supervised environment in which they can participate in a range of enriching and stimulating activities. Yarrabah is the only service within the community that provides after-school and vacation care. The service cannot however continue operating on the current model. This is very distressing because if it were to cease operating, the children would have nowhere else to go.

Example 6.2

At Yappera MACS fees are set at \$60 per week, but this is not dependant on which day(s) the children attend. As ECEC is not compulsory parents often keep their children home or are away for extended periods for family and/or cultural reasons. This flexibility has enabled the service to establish a strong system of attendance and retention based on good communication, but one that allows for differences in circumstance and lifestyle of each individual family. Under CCB funding is distributed strictly according to children's attendance. The service is concerned that this will negatively impact funding stability, as well as create an imbalance where children whose parents are working or studying and who attend often will be preferred and targeted. This goes against the principle of providing services to the most disadvantaged children as well as challenges service delivery in a culturally competent manner.

7. Fees

Issue

Several concerns have been identified regarding a user-pays model:

- Whilst many BBF services can and do collect fees (albeit in most cases low fees) from their families, not all families – particularly those with unstable incomes - are able to consistently pay. With a fee-driven model such as CCB, when families cannot pay fees, children will be forced to drop out of the service. As well as the detrimental effects this will have on families and children, it will also lead to gaps in service budgets and cause services to operate at a loss until fees can be recovered or enrolment rates raised;
- Reliance on fees as a service's major income source would be inadequate to cover the range of costs a service incurs, without escalating fees to prohibitive levels; and
- Collection of fees can be highly challenging, and can have a negative impact on the relationship between staff and families.⁹⁷

The current CCB model has major flaws, and is demonstrated to be inappropriate and actually very damaging for disadvantaged families, and higher cost targets such as ages birth to three; rural communities; and children/families with additional needs.

Evidence

a) Viability of the current system

The majority of ECEC services in Australia are delivered by private, for-profit organisations under a market service model. This type of model "impacts on accessibility and affordability because...whether they are profit-making or not-for-profit operations, services must operate as viable commercial enterprises and make decisions about location, costs and fees accordingly."⁹⁸

There is increasing concern that the current system is resulting in escalating, unaffordable fees, limiting many families' participation in early childhood services.⁹⁹ Child care rates have recently been increasing at a rate faster than the Consumer Price Index (CPI), with one study indicating that since its introduction over a decade ago, CCB has declined in value by more than 15 per cent.¹⁰⁰ Given the higher requirements for staff qualifications and staff-to-child ratios under the National Quality Framework, fees are projected to further increase over the next few years – potentially over 15 per cent in some jurisdictions.¹⁰¹ Whilst CCB rates are indexed to the CPI, the fact that ECEC rates are rising at a faster rate means that child care is increasingly becoming less affordable – "as out-of-pocket costs rise faster than subsidies".¹⁰² The Productivity Commission predicts that this situation is only set to continue, citing that "The value of the CCB will not change as it is based on the standard hourly rate, rather than

the actual costs paid by parents, and the CCR will only refund half of the additional costs.”¹⁰³ Given this, research by Price Waterhouse Coopers states that “Linking funding increases to increases in the cost of delivery is...an appropriate basis for determining public funding rates”.¹⁰⁴ The higher costs are forecast to have a particularly detrimental effect on lower-income families, who will be forced to spend a larger proportion of their income on child care fees compared to higher income families.¹⁰⁵ That funding should reflect actual costs is therefore also an argument of equity as well as one of effectiveness. As PWC explain,

For ECEC services, costs are likely to differ for children of different ages, for delivery in regional locations, and delivery to children with high needs. In the Australian child care context, observers have noted significant undersupply of high cost places – that is, places in regional or concentrated urban areas, places for younger children and places for children with special needs. Providing funding that is linked to the costs of delivering these places will help to reduce these disparities.¹⁰⁶

The recent review of Australia by the UN Committee on the Rights of the Child cites the unaffordability of child care in Australia as a major challenge, and recommended that the Government “further improve the quality and coverage of its early childhood care and education, including by: Increasing the availability of early childhood care and education for all children, by considering providing free or affordable early childhood care...”¹⁰⁷

b) The need for subsidised places for disadvantaged families

Given the wealth of evidence that indicates that participation in an early childhood service is particularly beneficial for disadvantaged children, it is key that low-income, non-working and/or disadvantaged families receive particular assistance with the cost of child care fees to support child development.¹⁰⁸ Supporting families’ participation in such services is key to breaking intergenerational cycles of disadvantage by providing children with a fundamentally strong base from which to transition on to school.

With a clear link between participation in an early childhood centre, and cost to families, “a policy of offering free services or capping the cost to low-income families is most likely to facilitate access.”¹⁰⁹ In contrast, “fee subsidies and tax relief are more likely to impose cost burdens on families in the form of gap fees, administrative barriers, delays between paying the fee and receiving the benefit, and exclusion of non-taxpaying families. Participation of children from low-income families is therefore less likely.”¹¹⁰ The Review of Australia’s Future Tax System suggests a model that ensures that low-income families “receive up to 90% of fees – and 100% for at risk or vulnerable children”.¹¹¹

The *Universal Access to early childhood education for Aboriginal and Torres Strait Islander children strategy* identifies fees as a particular issue impacting on the participation of Aboriginal and Torres Strait Islander families in ECEC services.¹¹² The Strategy highlights a wealth of evidence that demonstrates “that particular approaches have been shown to be effective in maximising enrolments, participation and outcomes for Aboriginal and Torres Strait Islander children (including) no fees, or minimal fees”.¹¹³ Considering this, it follows that to promote the best outcomes for Aboriginal and Torres Strait Islander children and families suffering from complex and multiple disadvantages, child care should be fully subsidised, and that it is not appropriate to link child care assistance with family income. Instead, “better measures of disadvantage may come from the health, community services or child protection systems.”¹¹⁴

Example 7.1

The operation of services with a high proportion of Aboriginal and Torres Strait Islander clients in disadvantaged areas demonstrates the failure of a user-pays system for these clients. For example, KU Children's Services has stated that their centres in wealthier areas directly subsidise those in lower socioeconomic areas, explaining that "Without this surplus generated by our 'giver' centres we would not be able to fund our Affordable Fees Program and the fees at our centres in the most disadvantaged areas, where children perhaps need KU most, would be unaffordable for families."¹¹⁵

Example 7.2

Gundoo, in Cherbourg, Queensland, operates BBF funded MACS and a CCB funded long day care (LDC) service. The service has found that the fees derived from the CCB service do not cover operating costs, and therefore the LDC budget has to be supplemented from the BBF MACS budget – including covering additional services such as food.

Example 7.3

Nurapai Kazil Centre on Horn Island, operating a playgroup, after school hours care, vacation care and long day care, has experienced significant difficulties with the user-pays basis of the CCB model. These have included:

- Enabling both staff and families to understand the CCB requirements;
- Inability of a families to pay fees – either because they are on low-incomes, but also due to the lack of a 'user-pays' culture within the community – resulting in a significant barrier to families paying fees.
- Resentment from families directed at the service over perceived high fees;
- Significant administrative time to support parents to understand CCB requirements; and
- Families not applying for CCB and then not paying the full fees.

The service has found that the CCB funded long day care service needs to be partially funded from the BBF budget, in order to keep running. However this still does not address the significant issues associated with non-payment of fees.

Whilst the service has had a held a number of meetings with the community to negotiate various options for repayment plans, including direct wage deductions, none of these options have been accepted by families in the community. The current situation is therefore that a number of families have incurred high debts. When faced with the option of having to shut down, the centre has opted to suspend the child instead. This is a last resort option and not ideal for anyone, but it has been necessary to keep the service running.

Example 7.4

Thursday Island Child Care centre, operating both a long day care and after school hours program, experiences extensive difficulties in collecting fees from families. Some weeks families do not pay fees, which means that the service operates at a loss for that period. Families then have two weeks to pay the overdue fees, and after this their child's participation from the service is terminated. The families cannot re-enroll at the service until they pay the overdue fees. This means that a number of children cannot participate at the service. The service management do not want to limit participation – but in order to continue operating they are forced to do this.

Example 7.5

The newly established Children and Family Centres model also faces similar challenges. Recent SNAICC research found that,

“The absence of guaranteed and ongoing funding for new integrated centres creates pressure to pursue self-sustainability. Some leaders in the development of Aboriginal and Torres Strait Islander Children and Family Centres identify that a self-sustaining funding model for integrated service delivery at the Centres is unachievable while maintaining costs at a level that will encourage and enable access to ECEC services for Aboriginal and Torres Strait Islander families. This creates concern that Centres will increasingly need to accommodate higher fee paying families and lose their focus on targeted service provision for Aboriginal and Torres Strait Islander children and families.”¹¹⁶

An operating centre, Bubup Wilam Child and Family Centre (CFC) in Thomastown, Victoria, have costed out their service to balance financial viability with affordability to ensure access for their families. In order to ensure families most in need can attend the centre, Bubup has set families’ fees at an amount that currently delivers half their annual operating costs – approximately \$500,000. Whilst they can and do seek alternative/additional funding to account for some of the remaining operational costs, they still require government-funded support to operate and to continue to offer the range of programs for which, as a Children and Family Centre, they are mandated. These include “a dynamic mix of services, responsive to community needs (including)...child care, early learning and parent and family support services.”¹¹⁷ If the extra \$500,000 cannot be found annually, Bubup will need to cut back on staff or programs, both of which will impact negatively on the children and families who use the service.

Bubup staff feel the current CCB arrangement puts them into a ‘deficit’ model, with funding constraints threatening their operation as a fully integrated service providing for the Aboriginal and Torres Strait Islander community. Staff describe the impact this has on families – who, despite paying what they can and participating in and contributing to the service – are still incurring debts and being made to feel that they are second class citizens.

Example 7.6

A number of services have reported that they have trialed a fees system and have found that families would not pay (Brewarrina Mobile Children’s Service, Wunala Creche, Yarrabah PCYC). Adopting a fees system would therefore mean that children would not be able to access the service.

8. Funding fluctuations

Issue

The CCB model brings the potential for funding fluctuations due to sporadic and/or changing enrolment numbers, and a lag in CCB registrations, both of which create budgetary uncertainty. A number of services have communicated that enrolments change frequently throughout the year due to seasonal/environmental factors, because families migrate between areas for cultural or family reasons, and because families lose their CCB entitlement (for reasons such as exceeding the allowable absences, discussed in Part 9; or not meeting CCB administrative requirements, discussed in Part

Example 8.1

Yawarra Child Care Service in Mount Druitt, NSW, frequently experiences fluctuating enrolments and income from fees, for example when families leave the service or their CCB percentage changes. There is often a lag – in some cases up to three weeks - between the change in family details and the service receiving this information. With government BBF payments being processed to the service in arrears, this means that the service often does not receive the right amount of CCB, and is underfunded.

9. Allowable absences

Issues

Several issues have arisen with the number of allowable absences mandated under CCB, including:

- The allowable absence maximum of 42 days is too few and results in Aboriginal and Torres Strait Islander families frequently exceeding the allotted time;
- Families are often unable to provide the supplementary documentation required to increase the number of allowable absences;
- The discretionary additional days are often not given even for absences caused by health problems; and
- There is no discretion to grant additional days for absences caused by attendance at cultural and/or family events.

Evidence

Services have reported that Aboriginal and Torres Strait Islander families in general require more absences for a number of reasons, including:

- Cultural affairs (for example families taking time away for Sorry Business, NAIDOC week, to go back on Country, and other cultural events);
- Family reasons (for example families travelling to spend extended periods of time with each other); and
- Recurrent health reasons such as ear or respiratory problems.

A number of services have reported that families have incurred large debts by exceeding their allowable absences. Families often are unable to pay their debts, causing services to terminate a child's enrolment. Services then have to bear the burden of the unpaid fees themselves, and children are deprived of ECEC services.

Possible alternative

Given this, one significant report has recommended that Centrelink "review its arrangements to enable....services to extend the allowable absence to ninety days where children and families need to attend cultural events such as funerals."¹¹⁸

Example 9.1

Yawarra Child Care Service has identified significant problems with families frequently exceeding their 42 days of allowable absences. Once this has happened CCB payments are terminated and the family must then pay the full fees. If parents can't then pay the full fees the centre loses out on the full fee cost of each subsequent day – or is forced to terminate children's access. Staff feel that the 42 days maximum does not take into account children's chronic health conditions and cultural/family responsibilities - which account for most excessive absences. The fact that public holidays count towards allowable absences serves to aggravate the situation. This requirement does not reflect appropriate cultural practices targeted towards their specific community.

10. Higher administrative burden for families

Issue

The CCB model creates a more complex and higher administrative burden for families, which can result in some families not contacting Centrelink, or being put off registering for CCB because of the requirement to go through Centrelink. Services have reported that families often face lengthy phone calls or long waits at Centrelink offices, and this also acts as a disincentive to go through Centrelink. A further challenge is that some families forget to initially register with CCB when they begin using a service – and this either means that they are paying full fees until their CCB registration is approved – or the service pays their CCB gap fee.

Evidence

Comparative research indicates that “administrative complexity discourages eligible families from applying for fee subsidies.”¹¹⁹ A solution to counter this is suggested within the NIRA Service Delivery Access principle, which states that “programs and services should be physically and culturally accessible to Indigenous people...attention is to be given to: minimising administrative red tape that may be a barrier to access; and providing adequate information regarding available programs and services.”¹²⁰

Possible alternative

A further recommendation to mitigate against difficulties and/or delays families may experience in signing up for CCB is for “Centrelink to review its arrangements to enable clients to access 100 per cent fee subsidy while waiting to have their claim processed.”¹²¹

Example 10.1

Gundoo MACS has found that the extensive CCB administrative burden can discourage families from applying for or continuing with CCB. Staff have found that to overcome this the service needs to provide administrative support to families to complete and update their CCB documentation – for example phoning Centrelink and/or assisting families to fill out forms.

Example 10.2

Bubup Wilam Child and Family Centre are concerned that there is a significant delay in families reporting changes to income and/or personal situations to Centrelink, and these changes being processed to result in an ensuing drop in fees. The service has observed, for example, families whose income has dropped dramatically having to then wait months for this information to be processed, and their fees to be accordingly lowered. This results in the family either experiencing increased financial pressure, or incurring large debts from non-payment of fees.

11. Termination of CCB

Issue

Services report frequently inaccurate details that result in families having their CCB payments terminated. These include:

- Inconsistencies between a child and carer’s Centrelink details and the service’s records (often caused by misspelt or incorrect names and/or incorrect birthdates);
- Missing documentation such as immunization records, birth certificates and/or employment details;
- Lapsed immunization;

- Not notifying Centrelink of changed financial circumstances; and
- Children changing residences. In many communities across Australia Aboriginal and Torres Strait Islander children frequently change who they live with. This creates difficulties with their CCB registration, as CCB requires that a child and carer's client reference numbers (CRNs) are linked. Services have found that when children move house and carer, and the adult claiming child care benefit for the child therefore changes, this information is frequently not passed on to the service. This results in the families' CCB being terminated, and the service or family then having to cover the full fees, or the child dropping out because the family can not pay the full fees. In some cases it has been reported that children change residence up to seven times per month.

Once they are cut off from CCB, families have 28 days to rectify any lapsed immunisation, inaccurate or missing data. However, services have explained that this often doesn't happen in time, resulting in families incurring higher fees. Furthermore, a number of services have indicated that families often don't communicate this information to services in time for services to readjust their fees once they stop receiving CCB on behalf of the families.

Example 11.1

Gundoo MACS has found that the CCB immunization requirements and lapses have meant that many families have had their CCB eligibility cut off, resulting in them incurring higher fees or withdrawing the child because they can't afford the fees.

12. Children with additional needs

Issue

Under a CCB model, if a service needs to decrease their child to educator ratio to respond to children with additional needs, they must cover this cost themselves. Whilst services can access additional funding for children with diagnosed additional, such funding is not available for children whose additional needs do not meet the criteria. This includes children demonstrating developmental delays associated with disadvantage, poverty and challenging home environments.

Evidence

Aboriginal and Torres Strait Islander services provide care for the most disadvantaged communities in Australia, and therefore generally cater for a larger proportion of children with additional needs. The extent of poverty experienced by Aboriginal and Torres Strait Islander peoples ranges from between 40 to more than 50 per cent across Australia, whether for remote or urban areas.¹²² Aboriginal and Torres Strait Islander peoples experience significant disadvantage across all economic and social development indicators, including gross overrepresentation of children in the child protection system, with a substantiation rate of 7.4 times that of non-Aboriginal and Torres Strait Islander children.¹²³ The causes of for these indicators of disadvantage are recognised as complex, and include the legacy of past policies of forced removal, intergenerational effects of separations from family and culture, poor socio-economic status and perceptions arising from cultural differences in child-rearing practices.¹²⁴ The Western Australian Aboriginal Health Survey¹²⁵ (2005) found a link between adverse life outcomes and the forced separation of Aboriginal people from their natural families and intergenerational effects caused by policies of forced separation and removal. In terms of the intergenerational effects of forced separations and removals, the survey found that children cared for by a primary carer who was forcibly separated from their natural family were over twice as likely to be at high risk of clinically

significant emotional or behavioural difficulties when compared with children whose Aboriginal primary carers were not forcibly separated. More generally, the survey found that children whose primary carers were forcibly separated experience many negative life outcomes when compared with children whose carers were not forcibly separated. It is therefore not surprising that Aboriginal and Torres Strait Islander children present at early childhood services with a variety of additional support needs.

Example 12.1

The Tasmanian Aboriginal Child Care Association (TACCA), a BBF service operating in Launceston, provides flexible, individualised services for a high proportion of children with additional needs such as trauma, and/or family substance abuse and violence. TACCA is able to provide this additional support by keeping educator to child ratios low – sometimes dropping them down to as low as one educator to two children when needed. They also charge a daily fee of approximately \$20 to ensure affordable access for families. Staff believe that their ability to provide individual flexible service and low fees are key to how they operate in the community and their success in doing this. They perceive that a shift to CCB would require them to raise fees to the point that families access would be threatened. It would also lessen their ability to budget for lower educator to child ratios when needed.

Example 12.2

Bubup Wilam Child and Family Centre perceive that a major deficiency within the model is that it assumes that children and families do not have additional needs, and it doesn't cater for families on low-incomes. This therefore ignores both the large number of Aboriginal and Torres Strait Islander children with additional needs, and the large number of families who are working but still on low-incomes.

The service currently has seven children with significant additional needs. Despite their needs, these children don't qualify for an extra worker, and the centre is not able to fund this. They also have two children under the care of the Department of Human Services who have varied and serious additional needs/issues, for whom only one extra worker is provided. Staff feel that the intense needs of these children – requiring much staff time - has a detrimental effect on the other children in the room. They also report that the administrative requirements for these nine children are significant and take up much staff time.

13. Limited hours of care

Issue

Only parents who meet the work/study requirements (or fall into the other specific categories) can access care for more than 24 hours per week.

Evidence

This requirement prioritises access for working and studying families, and is in contradiction with the principles of Aboriginal and Torres Strait Islander ECEC services – which are to provide services to *all* children in the community, particularly targeting the most disadvantaged (see Section E, Part 6). The requirement fails to understand that families most in need may need to access full-time care for their children, regardless of whether they are working or studying, and fails to take into account the significant impact that quality early childhood care has on the most disadvantaged children.¹²⁶ Access to early childhood programs are therefore particularly relevant for Aboriginal and Torres Strait Islander

children, who are at a higher risk of experiencing significant disadvantage during their early years, yet participate at lower levels within early childhood education and care programs.¹²⁷

14. Priority of access

Issue

The CCB Priority of Access Guidelines¹ discriminate against Aboriginal and Torres Strait Islander families who are not working or studying, placing them at a lower priority than those who are working or studying. This is in contradiction to the principles of Aboriginal and Torres Strait Islander ECEC services (see Parts 6 and 12), and may have the effect of decreasing access for the most vulnerable children in a community.

Evidence

Whilst priority of access does enable services flexibility to give preference to Aboriginal and Torres Strait Islander and/or disadvantaged families – this must still be within the three priority areas. Under CCB an Aboriginal and Torres Strait Islander child whose parents/carers do not fit the requirements of Priority 2, but who is also not within Priority 1, would still therefore be at a lower priority than a non-Aboriginal and Torres Strait Islander child whose parents/carers fit the requirements of Priority 2. Such a situation is in direct contradiction with one of the key outcomes within the National Partnership on Indigenous Early Childhood Education, which is for “increased proportion of Indigenous children participating in quality early childhood education and development and child care services.”¹²⁸ It is also in opposition to the UN Committee on the Rights of the Child recommendation that States take positive measures to eliminate the discrimination Indigenous children may experience in enjoying their right to education, including through “the application of special measures in order to ensure that indigenous children have access to culturally appropriate services in the areas of...education...”¹²⁹

15. Child Care Rebate

Issue

Two distinct issues arise in regards to the Child Care Rebate (CCR):

- The CCR is currently paid directly to families, who in theory then pay this to the service. However, this often does not happen, resulting in services having to cover the gap in fees; and
- The CCR is paid to families three weeks in arrears, however many services have voiced that they bill families one week in advance. Families therefore often wait to pay the service fees until they have received CCR, which means that the service has to cover the budget shortfall until they receive the reimbursement from families.

Example 15.1

Thursday Island Child Care Centre provides long day care and after school hours care. Staff feel that the CCR needs to be paid directly to the service - as parents often don't pass on the rebate to the service (despite paying fees that reflect both the CCB and CCR deductions), and this therefore means that parents go into debt, potentially have their access suspended, and that the service loses out on this money.

¹ These are:

- First Priority: a child at risk of serious abuse or neglect;
- Second Priority: a child of a single parent who satisfies, or of parents who both satisfy, the work/training/study test under Section 14 of the 'A New Tax System (Family Assistance) Act 1999';
- Third Priority: any other child.

Example 15.2

Yawarra Child Care Centre is also concerned that families receive the CCR rebate regardless of whether they have paid their fees or not. They have found that many families have outstanding fees but are still not paying their portion of the CCR back to the service. They believe that a solution to this would be for CCR to be paid directly to the service.

Section F. The way forward

BBF services have been subject to ad hoc, inconsistent, inequitable funding for too long. These services serve a critical need in community and in society more broadly that deserves recognition and support. The BBF review provides an opportunity to work towards a sustainable and effective model that in fact does meet the needs of Aboriginal and Torres Strait Islander children and families, based on the principles outlined in Section C of this paper (recapped below). The BBF model provides a strong basis to work with. SNAICC believes that a model that is viable, equitable and efficient, and that meets these principles, is possible, and is happy to work with the Government over the next period to explore feasible possibilities.

The issues canvassed in this paper highlight some of the complexities of the funding needs of ECEC services for Aboriginal and Torres Strait Islander children. SNAICC believes that these must be central considerations in the review of the BBF program, as must the core objective of the BBF program, namely:

To support the operation of services in areas where a mainstream, market-based form of child care would not be viable, and where there is a need for culturally competent services.

A strong Indigenous cultural model requires a specific approach. Prioritising access to reverse the cycle of disadvantage that many children experience as a consequence of colonisation and flow on effects of poverty and the Stolen Generations, also requires a specific approach. Significant Federal investment in Closing the Gap, with whole of Government commitment demonstrated through the National Partnership Agreement on Indigenous Early Childhood Development, reflects this current context. Aboriginal and Torres Strait Islander BBF services are well positioned to play a significant role in reversing current disadvantage, providing the necessary, culturally safe support in the early years. Any developments of this program or any other early childhood education and care model with similar objectives will also need to recognise and reflect this context if it is not to further exacerbate existing conditions through excluding children most in need of support, and undermine the broader national agenda.

While there is some evidence now of the importance of early childhood development to reverse cycles of disadvantage, there is less demonstrated evidence of what is critical to achieving these outcomes for Aboriginal and Torres Strait Islander children. The principles we do know are encapsulated in Section C. SNAICC urges DEEWR to work with experienced practitioners in BBF services and Aboriginal and Torres Strait Islander early childhood experts

Key principles of Aboriginal and Torres Strait Islander BBF services

1. Innovative governance and self-determination
2. Strengths based, quality service provision
3. Values and incorporates identity and culture
4. Holistic and responsive to community needs
5. Community not centre focused
6. Supports ongoing learning, information-sharing in and across sectors, and innovation
7. Sustainability

over the next period to really understand these questions, the complexities of service needs, and the tools or models required to value the strengths of communities and to achieve sustainable change.

What is clear is that an ECEC funding model must be determined bottom-up based on the needs of children and families. SNAICC understands the need for clear eligibility requirements for services to be included within a non-mainstream model and the need to develop a consistent methodology to manage the BBF model. A flexible method that SNAICC considers would provide a reasonable balance is for services to demonstrate their need for support under the BBF model through a three year funding proposal. This could be repeated for each three year period, allowing DEEWR and the service to consider changing service needs over time. The funding proposal would demonstrate need through explanation of factors central to the cost of service provision within the local service area, including for example: geographical location (rural, remote); service type (such as playgroup, crèche, mobile service); socio-economic difficulties; proportion of children with high additional needs; proportion of children experiencing a disability; workforce development needs; infrastructure development needs.

Current pressures on the CCB model and the experiences of BBF services transitioning to CCB detailed in this paper highlight the need for caution in considering alternative models. In particular, it highlights the fundamental incompatibilities between Aboriginal and Torres Strait Islander ECEC service needs and the CCB model. Careful consideration and thinking through the consequences of any alternative model proposed is fundamental to avoid damaging communities already in stress, discriminating communities with a model incompatible with their reasonable cultural needs, and excluding children from services. Simply shifting services to a CCB type model is clearly not the answer. Broad national consultations are a good beginning. The next step is to really interrogate how the diverse community needs translate into an effective national funding program.

There is significant expertise that SNAICC urges the Government to draw on in its consideration of how best to meet current government imperatives and early childhood education and care service needs. To assist this move forward, SNAICC proposes that DEEWR support a two-day workshop to frame a sustainable direction forward for non-mainstream child care. The workshop would consist of approximately 10 key practitioners and academics (majority Aboriginal and Torres Strait Islander) with expertise in Aboriginal and Torres Strait Islander early childhood, modelling and workforce development.

Preparatory work would include:

- Working paper on needs, principles and eligibility criteria for the proposed program
- Review of existing program and learnings from key submissions to the BBF review
- Outline of some proposals for moving ahead
- Key questions requiring expert attention.

Workshop program could encompass:

- Response to key questions identified
- Development of eligibility criteria for the BBF program
- Development of key proposals for improving non-mainstream childcare and recommendations for the next stage of process.

SNAICC urges that any decisions for change be delayed until after emerging proposed options are developed and tested.

The importance of early childhood development in creating real equality for Aboriginal and Torres Strait Islander peoples, and overcoming the historic disadvantage resulting from colonisation processes, is irrefutable. We can only move towards this outcomes however where early childhood education and care services are accessible, particularly to those most excluded, of high quality, responsive to community needs and culturally appropriate. The BBF model provides a strong foundation. Efforts to improve and strengthen this model, including with the provision of adequate funding, has the potential to see vastly improved outcomes over time. Other models may be appropriate, and should be explored. However, the only other current alternative, the CCB model, is at complete odds with the underlying objectives and needs of the BBF program. Combined energy is required then to determine how best to develop the BBF program in a manner that sustainably meets its targeted community needs and works within current government constraints.

¹ Committee on the Rights of the Child. (2012). *Consideration of reports submitted by States parties under article 44 of the Convention. Concluding observations: Australia*. U.N. Doc. CRC/C/AUS/CO/4, paragraph 29 (a), p7.

² Hutchins, T. Martin, K. Siggers, S. and Sims, M. (2007). "Indigenous Early Learning and Care". Australian Research Alliance for Children and Youth (ARACY), 9.

³ Committee on the Rights of the Child. (2012). *Consideration of reports submitted by States parties under article 44 of the Convention. Concluding observations: Australia*. U.N. Doc. CRC/C/AUS/CO/4, paragraph 29 (a), p19.

⁴ Steering Committee for the Review of Government Service Provision. (2011). *Overcoming Indigenous Disadvantage: Key Indicators 2011 Report*. Productivity Commission, 4.28; see also Sims. (2011). 'Early childhood and education services for Indigenous children prior to starting school'. Closing the Gap Clearinghouse, Australian Government. Resource sheet no. 7, 4.

⁵ Wise, S. et al. (2005). *The Efficacy of Early Childhood Interventions*. Australian Institute of Family Studies. Prepared for the Australian Government Department of Family and Community Services. Melbourne, 47.

⁶ Reynolds, A. et al. (2002). 'Age 21 Cost-Benefit Analysis of the Title I Chicago Child-Parent Centers'. *Educational Evaluation and Policy Analysis*. Vol. 24, No. 4, 268.

⁷ COAG. (2009). *Investing in the Early Years – A National Early Childhood Development Strategy*. Canberra, 4.

⁸ Ibid.

⁹ See Flaxman et al. (2009). 'Indigenous families and children: coordination and provision of services'. Occasional Paper No 23. National Evaluation Consortium, 34; SNAICC. (2004). *Indigenous Parenting Project: Main report*, 44; SNAICC. (2011). 'Increasing Aboriginal and Torres Strait Islander access and engagement with child and family services'. Policy Paper, 1 & 3; and Sims et al. (2008). "Indigenous child carers leading the way". *Australian Journal of Early Childhood*, 33 (1), 4.

¹⁰ Secretariat National Aboriginal and Islander Child Care (SNAICC). (2012). *Improved Outcomes for Aboriginal and Torres Strait Islander Children and Families in Early Childhood Education and Care Services: Learning from Good Practice*. Melbourne, 10-14.

¹¹ Harvard Project on American Indian Economic Development, Retrieved 3 September 2012 from: <http://hpaied.org/about-hpaied/overview> cited by SNAICC. (2012). *Coming together: the journey towards effective integrated services for Aboriginal and Torres Strait Islander children and families*. Melbourne, 9.

¹² US-based Harvard Project on American Indian Economic Development (Available at Harvard Project on American Indian Economic Development, <http://hpaied.org/about-hpaied/overview>).

¹³ <http://www.fahcsia.gov.au/our-responsibilities/indigenous-australians/programs-services/closing-the-gap/closing-the-gap-engagement-and-partnership-with-indigenous-people>; see also the Council of Australian Governments (COAG). (2009). *National Indigenous Reform Agreement (Closing the Gap)*. Canberra, D-76.

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- ¹⁴ United Nations Committee on the Rights of the Child. (2009). General comment No. 11 (2009) Indigenous children and their rights under the Convention. U.N. Doc CRC/C/GC/11. Paragraph 60, p.14.
- ¹⁵ United Nations Declaration on the Rights of Indigenous Peoples, G.A. Res. 61/295, U.N. Doc. A/RES/61/295 (2007), Article 14.
- ¹⁶ See Saggars, T. et al. (2006). Towards an Indigenous Child Care Plan. Centre for Social Research, Edith Cowan University, 62; and Priest, K. (2005). *Preparing the Ground for Partnership - exploring quality assurance for Aboriginal and Torres Strait Islander child care: A literature review and background paper*. Department of Family and Community Services. Commonwealth of Australia, 9.
- ¹⁷ Australian National Audit Office (ANAO). 2012. *Capacity Development for Indigenous Service Delivery*. Audit Report No. 26, 2011-2012. Cited by SNAICC. (2012). *Coming together: the journey towards effective integrated services for Aboriginal and Torres Strait Islander children and families*. Melbourne, 9.
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Future Directions of the Federal Budget Based Funding Program Workshop Report

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A strong voice for our children and families

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SNAICC is the national non-government peak body
that advocates on behalf of Aboriginal and Torres
Strait Islander children and families.

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A. Overview

On 26-27 November 2012, SNAICC convened a workshop of key early childhood leaders (identified on page 2) to examine the future direction of the Budget Based Funding (**BBF**) program. The workshop aimed to identify concrete, tangible proposals for the development of the program to better meet the needs of the Australian Government, non-mainstream early childhood education and care (**ECEC**) services targeting Aboriginal and Torres Strait Islander children, and, in particular, Aboriginal and Torres Strait Islander children and families.

This report presents the series of concrete proposals developed in the workshop. Different proposals are aimed respectively at the Department of Education, Employment and Workplace Relations (**DEEWR**), and at relevant stakeholders and services within the Aboriginal and Torres Strait Islander early childhood sector.

Participant support for the BBF program was unanimous, however the group recognised that significant improvements within the program and supports beyond the program are also necessary for a holistic strategy for Aboriginal and Torres Strait Islander communities to realise their vision for early childhood development. Ultimately, workshop participants agreed that a sustainable funding model for non-mainstream early childhood services is fundamental and should be a priority focus in the review of the BBF Program.

Key proposals for the future of the program include a revision of the BBF program objectives to better reflect current need and contexts, and to ground the program within the Council of Australian Governments (**COAG**) Closing the Gap, and broader ECEC, policy agenda. A second theme is the need for the development of a clear, sustainable and equitable funding model – potentially through pooling varied governmental funding sources - that will support services to provide holistic, ongoing services to their communities. A SNAICC facilitated Working Group on early childhood education and care for Aboriginal and Torres Strait Islander children is proposed to take these actions forward by the sector, comprised at this stage of the workshop participants. The Working Group looks forward to dialogue with government stakeholders on these proposals and the way forward.

B. Background

The development of a sustainable and effective early childhood education and care service model for Aboriginal and Torres Strait Islander children and families is a pressing concern. The importance of the early years for good outcomes for children, and particularly for disadvantaged children, is abundantly clear. This is strongly reflected in the current national policy framework, in particular the *National Partnership Agreement on Early Childhood Education* and the *National Early Childhood Development Strategy, Investing in the Early Years*, 2009, which recognise the importance of early childhood for positive outcomes for

children and for reversing cycles of disadvantage. Whilst early childhood services are key mechanisms through which to reduce disadvantage, Aboriginal and Torres Strait Islander children are still underrepresented in ECEC services and face significant barriers to accessing services. Under the Closing the Gap Indigenous Reform Agenda COAG has committed to the *National Partnership Agreement on Indigenous Early Childhood Development*. Whilst this represents a significant and valuable step, this does not commit funding to ECEC services beyond the establishment of the 38 national Children and Family Centres (CFCs).

The BBF program has played a significant role in improving access to ECEC services, but has the potential to further significantly increase participation in and outcomes from early childhood services for Aboriginal and Torres Strait Islander children and families if appropriately designed, resourced and managed. The current BBF program consists of programs cobbled together over decades, with no cohesive framework or support infrastructure. Substantial under-funding has meant that many services have had to cut back on a range of programs, and a number of services have poorer infrastructure and resources, and less qualified staff, than non-Aboriginal and Torres Strait Islander services.

DEEWR is currently conducting a review of the BBF program to ensure the program continues to achieve its objectives, is responsive and targeted to contemporary needs, and supports the delivery of high quality ECEC services to children, families and communities. This is a critical opportunity to redress the gaps identified and to explore how best to construct a non-mainstream integrated early childhood development program that meets the current policy imperatives of 'Closing the Gap' in Indigenous disadvantage. From the sector's perspective, it is also a moment to make clear again the strengths of communities and offer mechanisms that build on those strengths to support long-term empowerment for Aboriginal and Torres Strait Islander children and families.

SNAICC and others provided written submissions to the BBF review process. SNAICC organised this workshop to build on these submissions and ensure that the BBF review benefits from the consolidated, collective input of those with deep and longstanding academic, sector and service level expertise. This included Aboriginal and Torres Strait Islander and non-Indigenous expertise. SNAICC believes that only by building on this two way knowledge and expertise can any solutions reflect the practical complexities and nuances of service development and delivery for Aboriginal and Torres Strait Islander children and families, as well as groundbreaking understandings of childhood development and overcoming disadvantage. The particular strengths of Aboriginal and Torres Strait Islander culture and communities must also be central to framing a way forward, in particular given that Indigenous children comprise 80% of all BBF services.

The questions that arise in exploring how best to support Aboriginal and Torres Strait Islander children achieve their vision for early childhood development within their communities are complex and layered. Two days to talk through and together explore these issues is a starting point only, but a necessary starting point. The following proposals are

presented to the sector and to DEEWR as a step in what we hope will be an ongoing process of dialogue and action.

C. Proposals to DEEWR

Recommendation 1: *DEEWR redefine the BBF Program objectives to more explicitly focus on the role of the BBF program in the national 'Closing the Gap' and early childhood development agendas, and develop a program statement that sets out how the program will be supported to work towards 'Closing the Gap' outcomes*

The objectives of the BBF program represent a historical definition that does not accurately or adequately capture the focus and role of BBF services, nor allow for development of potential new service roles that services have pioneered and that may not yet have been explored. The legacy of the trauma caused to individuals, families and communities by colonisation and the forced removal of Aboriginal and Torres Strait Islander children from their families, continues to have profound impact. The protective quality of culture where it has been damaged needs regeneration, and where it is strong needs strengthening through healing and Aboriginal and Torres Strait Islander agency. Research demonstrates that threat to the persistence of personal or cultural identity poses a counterpart threat to individual or community well-being.¹ *"Failures to achieve a viable sense of self or cultural continuity are strongly linked to self destructive and suicidal behaviours."*² Where Aboriginal and Torres Strait Islander people have strong cultural attachment, they display improved outcomes across a range of areas, including self-assessed health, substance abuse, employment and educational attainment.³ Evidence-based policy that seeks to improve outcomes for Aboriginal and Torres Strait Islander people must therefore take into account that *"Indigenous culture should be maintained and leveraged as a part of the solution to Indigenous disadvantage, rather than being seen as part of the problem."*⁴ Key to this is rebuilding cultural continuity, demonstrated by preservation of Indigenous language, community control over key services and local decision-making.⁵

This situation is reflected in the experience of children, the most vulnerable children across Australia – with 52% of Aboriginal and Torres Strait Islander five year old children classified as 'at risk' or vulnerable in the domains of language and cognitive skills (compared to 21% of

¹ Chandler, M.J. & Lalonde, C.E. 2008. "Cultural Continuity as a Protective Factor Against Suicide in First Nations Youth", *Horizons --A Special Issue on Aboriginal Youth, Hope or Heartbreak: Aboriginal Youth and Canada's Future*. 10(1), 68-72; Hallett, D., Chandler, M. J., & Lalonde, C. 2007. Aboriginal Language Knowledge and Youth Suicide. *Cognitive Development* 22 (3), pp. 392–399.

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⁴ *Ibid.*

⁵ See FN 1 and 2.

non-Indigenous five year olds);⁶ child abuse and neglect substantiation rates that are 7.6 times higher for Aboriginal and Torres Strait Islander children than for non-Indigenous children;⁷ Aboriginal and Torres Strait Islander children being 10.1 times more likely than non-Indigenous children to be living away from home;⁸ and a range of lower early childhood health outcomes than experienced by the general population.⁹

The holistic Aboriginal and Torres Strait Islander early childhood education and care services provide a trusted community owned and driven entry point to tackle the trauma, poverty, dislocation and disempowerment many Aboriginal and Torres Strait Islander families experience. They provide a space where children can access basic supports they need to thrive in their early years. They also importantly provide a space for Indigenous ways to be strengthened, nourished and valued, so that Indigenous Australia and non-Indigenous Australia can benefit from the rich quality, diversity and wisdom of Aboriginal and Torres Strait Islander cultures now and in the future. BBF services are key contributors to two of the three 'Closing the Gap' priority outcomes:

- Safe, healthy and supportive family environments with strong communities and cultural identity; and
- Positive child development and prevention of violence, crime and self-harm.

BBF services work directly with children and their families to meet pressing needs, to support them to retain and extend their cultural and social strengths, and to provide a foundation for them to develop to their fullest potential.

The core elements of Aboriginal and Torres Strait Islander BBF services, that is an approach that places culture at the centre, holistic service provision, community control, responsiveness and flexibility to community needs and aspirations,¹⁰ reflect the evidence emerging at state, national and international levels on what works to overcome disadvantage.¹¹ These outcomes can be far greater where the services are provided with the basic supports necessary to provide effective, high quality service. Where recent Government reviews continue to decree that past approaches to remedying Indigenous disadvantage have clearly failed, and new approaches that engage Aboriginal and Torres

⁶ SCRGSP (Steering Committee for the Review of Government Service Provision). 2011. *Overcoming Indigenous Disadvantage: Key Indicators 2011*. Productivity Commission. Canberra, 5.45

⁷ SCRGSP (Steering Committee for the Review of Government Service Provision). 2011. *Overcoming Indigenous Disadvantage: Key Indicators 2011*. Productivity Commission. Canberra, 4.107.

⁸ Australian Institute of Health and Welfare. 2012. *Child Protection Australia 2010 – 2011*.

⁹ SCRGSP (Steering Committee for the Review of Government Service Provision). 2011. *Overcoming Indigenous Disadvantage: Key Indicators 2011*. Productivity Commission. Canberra, 5.28-5.63.

¹⁰ See SNAICC. (2012). *Review of the Budget Based Funding Program*. Available at <http://www.snaicc.org.au/uploads/rsfil/02897.pdf>.

¹¹ See Council of Australian Governments (COAG). (2009). *National Indigenous Reform Agreement (Closing the Gap)*. Canberra, A-22 and D-76; Ware, V. (2012). *Improving access to urban and regional early childhood services*. Resource sheet no. 17 produced for the Closing the Gap Clearinghouse. Australian Institute of Health and Welfare and Australian Institute of Family Studies; NSW Ombudsman. (2011). *Addressing Aboriginal disadvantage: the need to do things differently*. Special Report to Parliament. Sydney; and Australian National Audit Office (ANAO). 2012. *Capacity Development for Indigenous Service Delivery*. Audit Report No. 26, 2011-2012.

Strait Islander peoples effectively in identifying and developing solutions to disadvantage are needed, we urge the Government to enable and expand a core early childhood program that does just this.

The centrality of the early childhood development and 'Closing the Gap' agendas to the BBF program calls for explicit connection of these agendas to the objectives of the BBF program and a program statement that sets out how the program will be supported to work towards 'Closing the Gap' outcomes. This would create a significantly stronger vision for the BBF program and reset the parameters for its effective implementation. This is also consistent with national moves towards more coherent, seamless, integrated programs, in particular detailed in *National Partnership Agreements on Remote Service Delivery and on Indigenous Early Childhood Development*. Redefining the objectives in this manner would serve to recognise the value of the BBF program, providing a more genuine space to negotiate the funding allocations to programs to meet these agendas.

Recommendation 2: DEEWR amend the BBF program to ensure a transparent formula for allocation of funding to BBF services that responds to the supports required for the Aboriginal and Torres Strait Islander children and families which each BBF service serves.

Current BBF funding allocations do not stem from an equitable, transparent and evidence-based formula, but instead are ad hoc and historically determined. Funding allocations do not necessarily reflect both the contemporary needs of Aboriginal and Torres Strait Islander children and families, and the demand for services to provide high quality, culturally appropriate and holistic care to their communities. Any new model will need to address this by developing a transparent and equitable formula that ensures that communities receive the service they need and want for their children, and that all Aboriginal and Torres Strait Islander children across Australia have the opportunity to participate in a resourced, culturally appropriate and high quality ECEC service.

Recommendation 3: DEEWR develop a clear and consistent third funding model (i.e. beyond BBF and Child Care Benefit) premised on the core principles of the BBF services that is sufficiently flexible to meet the needs of Aboriginal and Torres Strait Islander communities. This would be a common model for integrated services targeting Aboriginal and Torres Strait Islander communities and could apply for both BBF services and Aboriginal and Torres Strait Islander Children and Family Centres.

In order to deliver quality, culturally appropriate and comprehensive early childhood education and care support to children and families, Aboriginal and Torres Strait Islander ECEC services need a clear, consistent, sustainable and appropriate funding model. Major limitations in the BBF program, including funding caps and ad hoc funding allocation, and the inconsistency of the CCB model with BBF service philosophy and operation, require a new integrated approach.

Specifically, the success of the services currently funded under the BBF model requires effective, direct and flexible relationships between the funding body and the services. The range of potential needs of service users requires a flexible and reliable funding system. The arms length model of funding via the Child Care Benefit (CCB) funnels standardised funding via parents, which lacks the flexibility and reliability needed for the proposed new BBF service model. The essential difference between the two systems is the different locus of control and negotiation processes for determining the funding quantum needed.

While the CCB can be supplemented by additional grants to remedy its fairly inflexible basic payments, the complex family usage based payment system requirements are not necessarily appropriate for most our users. A system that has been designed to support parental workforce participation is different to one designed for diverse communal needs and active engagement. The difference is between meeting funders, services and communities' explicit priorities for service design, or a model where funding via parents assumes a more standardised individualised consumer user.

The child based funding model will not work where Centrelink relationships are poor, paper work difficult and movement of children between households frequent. These factors mean that fees may not necessarily be paid on time. This will create unnecessary tensions for parents and services.

Furthermore, top-down, bureaucratic funding models do not support Aboriginal and Torres Strait Islander self-determination and governance. Evidence demonstrates that strong community governance enhances outcomes for Aboriginal and Torres Strait Islander communities, and enables sustainable and context-specific service delivery.¹² What is required therefore is a model that promotes Aboriginal and Torres Strait Islander agency and self-governance at the service and community levels. The Australian Government has publicly stated its commitment to community governance, as recently stated by Indigenous Affairs Minister Jenny Macklin, "The Government supports effective governance and strong leadership in Indigenous communities, as an important part of closing the gap on Indigenous disadvantage."¹³

Critically, the new model must stem from a reconceptualisation of Aboriginal and Torres Strait Islander ECEC services and their role, recognising their unique and valuable position in delivering the COAG defined 'Closing the Gap' and early childhood development outcomes. Redefining the BBF program to reflect this will make explicit its central role in prevention,

¹² See Aboriginal and Torres Strait Islander Social Justice Commissioner. (2012). Social Justice Report 2012. Australian Human Rights Commission, Canberra; Harvard Project on American Indian Economic Development, viewed 11 December 2012, <http://hpaied.org/about-hpaied/overview>; SNAICC. (2011). 'Increasing Aboriginal and Torres Strait Islander access and engagement with child and family services'. FaHCSIA policy paper 3. Melbourne.

¹³ The Hon Jenny Macklin MP. 'Government welcomes social justice and native title reports'. (Media Release). Accessed 12 December 2012 at <http://jennymacklin.fahcsia.gov.au/node/2172>

early intervention, early childhood development and access to the service system for Aboriginal and Torres Strait Islander children and families.

The rationale within the *National Partnership Agreement on Indigenous Early Childhood Development* for the establishment of 38 Children and Family Centres was to provide integrated early childhood services that evidence demonstrates results in higher participation of and outcomes for children and families. However in order to contribute to the identified outcomes that:

- Indigenous children are born and remain healthy;
- Indigenous children have the same health outcomes as non-Indigenous children;
- Indigenous children acquire the basic skills for life and learning; and
- Indigenous families have ready access to suitable and culturally inclusive early childhood and family support services (*at 7*),

more than 38 Centres across Australia are clearly required. 269 Aboriginal and Torres Strait Islander BBF services are also currently working to specifically achieve these outcomes, and more still are needed to realise them across Australia.

A reformed BBF model, premised on the goal of *access* for Aboriginal and Torres Strait Islander children to services, and informed by a series of principles, as outlined in the SNAICC Submission to the BBF review, has the potential to substantially move towards these outcomes. We recommend that this model provide a base core operational support for all services and a second tier of support, determined through services' identified need for further programs, staff and other locally determined supports. The provision of transparent resources to enable services to respond to the community need would provide an opportunity to capitalize further on the potential contribution of the BBF services to the national policy priorities discussed.

Recommendation 4: DEEWR take steps now towards the longer term outcome of recommendation 3, including:

- (a) *Nationwide mapping of the location of each Aboriginal or Torres Strait Islander early childhood education and care service; and other ECEC services in areas to identify service gaps and needs;*
- (b) *Inclusion of early childhood education and care as a component of the place-based trials to occur within the second three year action plan of the National Framework for the Protection of Australia's Children 2009-2020.*¹⁴

Place-based models are community-led models which shape service delivery around local community needs, and combine different sources of funding to divide based on community priorities. Such models, if implemented effectively, could allow space and flexibility for Aboriginal and Torres Strait Islander participation and leadership in the development of services that reflect the culture and values of the many diverse Aboriginal and Torres Strait Islander peoples across Australia.

¹⁴ See <http://www.fahcsia.gov.au/our-responsibilities/families-and-children/publications-articles/protecting-children-is-everyone-s-business-national-framework-for-protecting-australia-s-children-2009-2020-second-action-plan-2012-2015>

- (c) *Establishment of a Working Group comprised of academics, sector peaks, BBF service leaders and department representatives (across multiple departments) to explore a principled place-based model that meets the needs and aspirations of Aboriginal and Torres Strait Islander children and families and that would combine resources from diverse funding streams (including potentially across federal/state and departmental lines) based on relevance to meeting their policy objectives;*
- (d) *Support for economic modeling of the proposed model to determine and strengthen feasibility and cost-benefit outcomes.*

Recommendation 5: *DEEWR establish a Federal Department for Children to enable a consolidated focus on holistic development needs, and capacity to identify funding allocations*

Following its recent review of Australia's fulfillment of its child rights obligations, the United Nations (UN) Committee on the Rights of the Child recommended that Australia establish and appropriately resource a technical body to advise COAG on its implementation of the UN Convention on the Rights of the Child. An appropriate mechanism for this could be a ministerial portfolio responsible for children with dedicated resources to drive data collection, research and policy development, coordinate across government and ensure the effective implementation of programs and services that meet child rights standards, as detailed in Recommendation 3 of the Child Rights NGO Report Australia, *Listen to Children* (2012). This would support a holistic and integrated policy response to and engagement with the needs of all children.

Recommendation 6: *DEEWR establish a clear and transparent process for DEEWR to complete, prior to closing a BBF service.*

This is suggested in light of the frequent changes in status of BBF services and the significant implications of closing a BBF service for a local community. The process should include consultation with a representative or support body for the service, such as SNAICC or the Indigenous Professional Support Units, to provide a space for outlining the concerns which give rise to consideration of a decision to close a service, and opportunity for written an oral response from the representative body and service.

Recommendation 7: *DEEWR, in partnership with the BBF services and service sector, host a workshop to explore the potential consistency or inconsistency of the components of the National Quality Framework with services in the BBF Program, and develop an Options Paper for consultation on possible alternative approaches or adaptations of the National Quality Framework.*

There are serious concerns that aspects of the National Quality Framework are not appropriate for application to BBF services or do not reflect the core elements of 'quality' in these services. There is a need to consider these services as community development

engines, with any quality assessment process therefore needing to support and value them in this broader role.

DEEWR has suggested the possibility that it may apply “a similar, potentially less formal, process for some or all BBF services.”¹⁵ The intention behind this statement is supported, and the Working Group urges DEEWR to invest time now to explore key objectives of a quality framework for BBF services, areas of inconsistency with the National Quality Framework and alternative possibilities for adaption. For example, it may be appropriate that services are measured against their Quality Improvement Plans only, rather than be formally assessed against the current rating system, or have a choice to adopt this approach. Alternatively, a focus on what good practice looks like in different service and community contexts may be the most meaningful form of assessment, how do Elders and the community rate their service and on what basis? Transition to the NQS could also be a self-initiated process, investing services with control over the process, and the required supports and time to enable this process to be meaningful and effective.

These are complex and involved issues that warrant serious investigation, consultation and planning. For too long BBF services have been left out due to an ad hoc, inconsistent and inequitable funding system. It is crucial that attention is paid to this issue now to ensure that services for Aboriginal and Torres Strait Islander children and families are not left further behind, but instead are provided with a sustainable and effective model that in fact does meet the needs of Aboriginal and Torres Strait Islander children and families

D. Proposed Actions for the Working Group

Actions relating to Recommendation 1

- Develop a discussion paper analysing the different ways in which BBF services specifically meet the COAG agendas, policies and targets;
- Develop a brief setting out the rights-based, equity argument for a new BBF model;
- Conduct a literature review on the cost-benefits of BBF services to demonstrate their value and need for increased funding;
- Properly conceptualise the objectives of the BBF program;
- Develop short briefs and policy statements to widely circulate and increase visibility and understanding; and
- Engage State & Federal Ministers, COAG, the Child and Family Roundtable, and other appropriate stakeholders and forums on their action to use BBF services to advance the Closing the Gap agenda and/or link early childhood development and care to these other spaces/agendas.

Actions relating to Recommendation 3

- Initiate a dialogue between BBF services and Aboriginal and Torres Strait Islander Children and Family Centres on workable funding models for Aboriginal and Torres

¹⁵ Department of Education, Employment and Workplace Relations (DEEWR). 2012. *Quality Early Childhood Education and Care for Children in Regional, Remote and Indigenous Communities: Review of the Budget Based Funding Program*. Canberra, 15.

Strait Islander early childhood education and care services, commonalities and future directions;

- Engage BBF services and Aboriginal and Torres Strait Islander Children and Family Centres together at SNAICC conference in June 2013, and also at national and state level CFC Leader's forums or state service conferences.
- Develop a brief that explores the different major funding avenues that relate to the policy objectives of the BBF program, unpacks these and propose a possible model that would bring these together to support integrated ECEC services;
- Compare government funding of the BBF program (and other programs) with the federal policy promises to identify any contradictions or gaps and develop recommendations. Also conduct a comparison of the objectives of the BBF program with the capacity in monetary terms to meet those base service response that these objectives require;
- Promote discussions on funding integration through various forums, including the roundtable on the National Partnership Agreement on Indigenous Early Childhood Development, National Children's Services Forum, and COAG discussions on early childhood development and care.

Actions relating to recommendation 4

- Develop a brief explaining the rationale for including BBF ECEC services in the place-based trials, and a proposal for how to do this; and
- Advocate to Government (specifically DEEWR, FaHCSIA and relevant Ministers) for inclusion of BBF ECEC services in place-based trial.

Actions relating to Recommendation 5

- Link in with Child Rights Taskforce advocacy and actions, who would take the lead on this issue; and
- Develop a brief for advocacy which sets out the rationale and model for a Minister and associated Department for Children.

Actions to strengthen genuine partnerships: walking and working together

BBF services rely on respectful and productive partnerships with other Aboriginal and Torres Strait Islander services, mainstream services, and local and national governments to be able to deliver the array of services their communities need. In order to be genuine, respectful and valuable, partnerships between Aboriginal and Torres Strait Islander and non-Indigenous services need to follow certain key principles, including respect for Aboriginal and Torres Strait Islander culture, knowledge and history; commitment to self-determination and developing long-term relationships; redressing unequal relationships; and shared responsibility and accountability.¹⁶ Significant attention is needed to the processes required for partnership development and their proper resourcing. Training for services on genuine partnership principles would be a valuable way to build capacity for effective partnerships. Suggested actions include:

¹⁶ SNAICC. 2012. *Opening Doors through Partnerships: practical approaches towards developing genuine partnerships that address Aboriginal and Torres Strait Islander community needs*. Melbourne.

- Develop guidelines for Government and services to agree to and conduct themselves in accordance with, which set out a framework for partnership development and operation in accordance with agreed principles. The guidelines should include the provision of necessary supports to ensure such partnerships are genuine and mutually beneficial;
- Identify solutions to support a shift to collaborative rather than competitive service relationships, including broader structural issues (e.g. tendering) and specific practical issues (e.g. sharing use of a bus);
- Develop training for mainstream and Aboriginal and Torres Strait Islander services on developing and maintaining genuine partnerships;
- Develop a resource or matrix examining the principles, criteria and effectiveness for partnerships between mainstream agencies and local communities/services within the early childhood context, building upon SNAICC's 2012 report *Opening Doors through Partnerships: Practical approaches to developing genuine partnerships that address Aboriginal and Torres Strait Islander community needs*;
- Drawing on the above, take action (such as advocacy or actual creation of the resource) on the development a 'partnership toolkit' for use between Aboriginal and Torres Strait Islander and mainstream services, to enable both parties to comprehensively understand the rationale behind the partnership, what each party can contribute to it, and examples of governance, decision making, accountabilities, reporting, etc;¹⁷ and
- Develop a brief on the value of large mainstream community development organisations partnering with Aboriginal and Torres Strait Islander ECEC services, to develop submissions on behalf of BBF services.

Actions to pilot different funding models for rural/remote mobile children's services

Whilst strong evidence exists regarding both the current challenges with BBF funding, and the unfeasibility of CCB funding for BBF services, there is a need to develop, test and present evidence on alternative models. The National Association for Mobile Children's Services (NAMS) is currently conducting research on the cost-effectiveness in terms of per-child costs of BBF and CCB funding. They are proposing to DEEWR to pilot different funding models for rural and remote mobile children's services. Whilst this is only one service type, it could provide a valuable foundation from which to explore alternative funding models for a number of BBF service types.

- Develop an article highlighting the findings of the NAMS research, and promote in the public domain; and
- Share and gather work across the sector that demonstrates the cost-effectiveness (per child cost) of BBF versus CCB.

¹⁷ Office of the Coordinator-General for Remote Services. (2012). Report: June 2011 to August 2012. Northern Territory Government, 58.

Actions to demonstrate evidence base for BBF services achieving strong outcomes for Aboriginal and Torres Strait Islander children and families

- Identify research funding opportunities for major research with randomized trials with children of different ages (Debb Mann, Margaret Simms, SNAICC)
- A trial could be conducted through support from Lotteries WA, and the trial used as a justification for an Australian Research Council Grant. Other more state focused funding organisations to contact include Spencer Foundation, Ian Potter, Telethon Institute, Menzies School of Health Research, in addition to LISC data.