

Dear

Re: *Jobs for Families Child Care Package* and its impact on our children

Aboriginal and Torres Strait Islander children are half as likely to access early years education as non-Indigenous children, despite being twice as likely to be developmentally vulnerable early in life. There remains a 15,000 place shortfall for Aboriginal and Torres Strait Islander children in early learning services across Australia. Without reform the *Jobs for Families Child Care Package* will place additional pressure on Aboriginal and Torres Strait Islander children's access to early learning services and will worsen early years outcomes.

The evidence shows us that investing in Aboriginal and Torres Strait Islander early years services has a significant cost benefits for society and is one of the key elements required to effectively address the Aboriginal and Torres Strait Islander disadvantage identified in the *Closing the Gap* strategy.

The evidence shows us that Aboriginal and Torres Strait Islander Early Childhood Education and Care (ECEC) services are the most capable and effective organisations to deliver early years services to Aboriginal and Torres Strait Islander children and families.

Analysis by Deloitte Access Economics and SNAICC reveals that the *Jobs for Families Child Care Package* early years services for Aboriginal and Torres Strait Islander families will be threatened due to an abolishment of the Budget Based Funding (BBF) program and the halving of minimum hours of subsidised access to early learning where parents do not meet an 'activity test'.

The measures proposed in the package under the Child Care Safety Net, in particular the Community Child Care Fund, do not adequately mediate the funding crisis Aboriginal and Torres Strait Islander ECEC's will face under the package because:

- The Community Child Care Fund is grossly inadequate to meet the needs of the most vulnerable – making up under 1% of the \$10.5 billion investment in the mainstream Child Care Subsidy.
- Aboriginal and Torres Strait Islander community services will struggle to compete with strongly resourced mainstream providers in the competitive grants process open to an estimated 4000 services for the Community Child Care Fund.
- Community Child Care Fund grants seek short-term sustainability and fail to recognise the entrenched poverty, long-term unemployment and disadvantage that make sustainability without additional government funding impossible in many communities.
- Despite over \$3 billion new funding in this package, the Child Care Safety Net halves minimum hours of subsidised access to early learning, while evidence shows that vulnerable children's development and school readiness benefits most from quality early childhood education and care.

I support the following recommendations for amending the *Jobs for Families Child Care Package*:

1. An Aboriginal and Torres Strait Islander specific program within the Child Care Safety Net to provide repeated three year grants to top-up the income to Aboriginal and Torres Strait Islander services to enable them to continue flexible service provision to the most disadvantaged children within their communities. New funds are not needed, existing funds (estimated \$100 million per year) could be cashed out from Child Care Subsidy funding.
2. A commitment to increase places for Aboriginal and Torres Strait Islander children by 5,000 over the first three years of the package to redress the current 15,000 place early learning gap.
3. Provision of at least two full days (20 hours) of subsidised quality early learning to all children to support their development, regardless of their parents' activities.
4. The Australian Government guarantee that playgroups, mobiles and other unique services supported within the BBF program, such as youth programs, continue to be funded either through the Community Child Care Fund or another program.

The *Job For Families Child Care Package* will have a devastating impact on Aboriginal and Torres Strait Islander children if it is not amended to accommodate the unique funding requirements of Aboriginal and Torres Strait Islander led early years services.

Regards,