

Dear Minister Clare

Several weeks ago, at the ECA National Conference, you invited the community to share its views about the Productivity Commission's report. Thank you for that invitation, and your ongoing willingness to engage about next steps. We at Goodstart articulated our thoughts and the results of our data in detail to the PC, but it occurs to me that it is worth explaining simply, succinctly and in one place, what we think matters and what concerns us.



**We're for children,
not for profit.**

One of the interesting questions in this community conversation is what defines ambitious reform. I have been asked whether Goodstart has been sufficiently reformist in crafting our ambition. Having led this organisation for eighteen months, I can tell you what Goodstart is about. What it says on the tin – that we are here to ensure Australia's children have the best start in life – guides every decision we make, including what we spend money on, who we hire, where to open, where to close. It fuels debate in our senior leadership team: If we do this, or that, how will it land for children? If we make a commercial choice here, what will that mean in centres? And the greatest question of all: If you have one big opportunity to fundamentally reform the system, what should you do?

I relish a conversation about what real ambition could look like for Australia's children. Goodstart believes we have a moment of opportunity in the first few years of life to change the lives of children, and through them, to shape families, communities and the nation. This is no longer a radical idea. Everyone from economists to education experts agrees getting it right in early childhood is the key to wellbeing and prosperity for individual people and the nation. But the evidence tells us that getting it right takes a few things. Early learning is a key ingredient. It has to be available, for enough hours to be make a difference, and it has to be staffed by educators who know what they're doing. The evidence tells us poor early learning is worse than none. We also know – from the evidence and from data from our 700ish centres nationally – that early learning also needs to be able to support you if you need something more. Maybe you have a learning difficulty. Maybe things are not going so well at home. Maybe you have speech delay. We are seeing all of these things in higher numbers than ever before – approximately 38% of the children attending Goodstart have one of these risk factors, and the proportion that need extra help is increasing, year on year. And we know it takes something more than a standard dollop of early learning to make a positive difference for children when these extra needs come into play.

So, against that backdrop, what does ambitious reform look like? Goodstart strongly believes in the right of every child in this country to access early learning in the amount they need it. Undoubtedly, affordability matters in delivering universal early learning. It certainly matters to support women's ability to work and achieve financial security. Early learning should be free for the poorest families, and affordable for all. But affordability and universality have been conflated in this conversation. Just because something is cheap, does not mean you can get your hands on it. 50 cent public transport fares are available in Brisbane, but they don't help you if you live in Roma and there is no public transport. And Temu has showed us that just because something is cheap, it doesn't mean it is good. For Goodstart, the most deeply ambitious reform idea is that we might build a system where all children can access early learning, even if they have higher needs, and that learning delivers the quality experience that will turbocharge their educational and life outcomes. But how?

The first and most obvious piece is that we can't talk about truly universal early learning without talking about why this has been so doggedly linked to how much a parent works. Right now the poorest children – those whose parents don't work – have the least access to early learning. That makes sense if you're looking at 'child care' as purely a measure to support better workforce participation. Less so if you know, as Goodstart does, that early access to education is the key to equalising children's learning by the time they hit school. And that if they are behind their peers at that critical moment, they are unlikely to catch up. The 'activity test' is really an impediment on poor children, blocking them from the assets available to their already-more-advantaged peers.

Secondly, even before we get to price, to truly deliver universality, you need enough centres in the right places. Affordability alone will not deliver this. This will take an intensive investment fund, through partnerships between philanthropists, governments and providers. It will also require proper structures to understand, alongside communities and providers, what it takes to build, sustain and operate high quality inclusive centres in places which don't have one now. Government cannot and must not try to make these decisions alone. We have seen too many instances where they have gotten that wrong, and new centres have been built in places where high quality, affordable centres already exist. The result? Competition for staff and no more places overall.

Thirdly, and again even before we get to cost, you need enough educators with the right skills. The Government has made a significant down payment on achieving this through its 15% two year worker retention subsidy. The next piece is long term, structural investments in the wages, professional development and recognition that will keep educators in centres, alongside thinking about how to attract educators and teachers to harder-to-staff places. The elephant in the room here is that every single expert tells us the early years are the most important period for education – we will not improve our school and university results without tackling them. But the pay and conditions for teachers and educators in schools is far more generous. This is one of the main reasons we lose our people to schools.

Some of our most treasured institutions – the NDIS, public education and Medicare – also provide key lessons for implementation of any universal early childhood approach. The NDIS, for example, taught us that delivering universality is not just about cost to consumer. Free doesn't help you get a therapist if there is no therapist to be found. Cost and affordability matter, but supply, workforce, and removing outdated ideological barriers matter just as much.

All of which brings us to whether universality, an essential underpinning of getting this right, is enough. Public schools are (almost) universally available. Yet we are in a crisis of outcomes (note our PISA results) that suggests the funding model that delivered free public education to our nation has failed to deliver strong outcomes for many of our children, and not made our nation as competitive as it could be from a productivity point of view. Early learning services must be able to deliver what children need. Clear curriculum and outcomes frameworks, and measuring what children have learned. Professional development that supports that teaching and assessment of children's progress. Real investment in capability to identify and support children with additional needs. The PC discussed the need for improved inclusion, but did not build models or attempt to cost that work. There has not yet been enough attention to 'universal what?'. We do not want a second-tier early learning system. It is not enough to say build a system all can access, then work to improve it. Medicare underpinned the health of a nation through a universal system. It intended to address dental care also, but that was deferred initially. The result? Decades later, the community's poorest have the poorest teeth, strongly linked to later poor health and employment outcomes. Both quality and inclusion must be fundamental, costed parts of the model from Day One.

Goodstart stands ready to work with government and the community on how to deliver a holistic, universal system that can actually deliver for children and the nation. If the sole focus of reform is improved affordability, as critical as that is, we will squander this opportunity, and fail to learn implementation lessons from the great universal public institutions of public education, Medicare and the NDIS. We will not deliver the young learners who will build strong families, productive workplaces, happy communities and a prosperous nation tomorrow.

Our response to your question at ECA is that Australian children and families deserve an early learning system which is truly universal because it is in their community; it is staffed by local professionals who can meet their needs; and it is affordable. Even more critically, they deserve and our country needs a system that can actually deliver on its educational promise. This is the radical idea, the ambitious reform. A system that is available, affordable and so good it is the envy of the world. We ask you not to build a plan that only focuses on one element of that vital web. As you deliberate and make investment choices, we ask you to consider how we ensure early learning is not just affordable, but the kind of excellent that can change lives and shape a nation.

Yours in optimism,



Dr Ros Baxter

cc: Prime Minister, Treasurer, Minister for Finance, Minister for Early Childhood Education