

September 2016

Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2016, and the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2016.

Synopsis: CAYLUS is concerned that the provisions under this bill will be implemented in a way that will cause the effective defunding of six youth programs in our service region. It was also penalise vulnerable children for their parent's behavior. These programs have been funded through Outside School Hours Care (OSHC) funds more recently called Budget Based Funding (BBF) for more than 10 years. They have always been an uncomfortable fit but have continued to operate because all stakeholders agree they're absolutely necessary. While the department may argue that there is a way forward for these programs under the reforms we're concerned that these will prove impractical as they are designed for programs based at Childcare Centres, which these programs are not.

Background: CAYLUS is a Commonwealth funded substance abuse reduction project that focuses on inhalants such as petrol and glue. We have operated since 2002 in our region, which spans more than 20 remote communities in the NT, south of Tennant Creek. We have been part of a wide community effort that has seen a 94% reduction in inhalant abuse in our region. Two of our key approaches are supply reduction such as use of Opal fuel and other strategies that reduce the availability of inhalants, and demand reduction, which provides more wholesome alternative activities in remote communities. Much of our demand reduction work centres around supporting youth diversionary programs in remote communities.

Despite wide acknowledgement of the precarious situation of children in remote NT communities and the clear value of structured youth development activities in this space, there is no specific Commonwealth or NT funding stream for such programs.

Some key benefits of structured youth programs include: better health, better school performance, reduced substance abuse and less crime. See attachment 1 for greater detail on the outcomes of youth programmes and the evidence that supports this.

At this stage, due to this lack of a dedicated funding stream, different communities have different sources of funds, meaning that one community might have high levels of funding and youth infrastructure (rec halls, training facilities, adequate staff to provide gender equity in access to youth services, covered basketball courts, swimming pool etc) while a community 50km away will have few facilities and one staff member (in some cases funded in part by OSHC/BBF). At this stage, geography is destiny for remote community children.

OSHC/BBF funded youth programs: as noted above we work to develop demand reduction initiatives across our region and see youth services as playing a crucial role in this regard. This has meant that we have observed and supported OSHC/BBF programs in a region for many years. Our work in this area has included CAYLUS at the request of the government (FACS, FAHCSIA and DEEWR) taking on the direct management of five programs, where providers were struggling to meet funding objectives, at separate times between 2007-11. These include some current OSHC programs and some that are now funded in other ways. In these cases we directly managed programs in conjunction with the funded providers, took action to get the program back on the road through sorting out staffing, reporting and other issues and then supported the provider in taking back the running of the program. This has meant that we have a good knowledge of the on the ground reality of these programs and at times have had a close working relationship with the various government departments that have administered them.

Currently six youth programs in our region rely on OHSC/BBF funding, jointly they service an estimated 1167 children and young people:

Program	Provider	Service Location	Service Population¹
Anmatjere	Central Desert Regional Council	Based in Ti Tree serving Ti Tree, Nturiya, Wilora and Pmara Jutunta	199
Yuelamu	Central Desert Regional Council	Yuelamu (Mt Alan)	91
Ampilatwatja	Barkly Regional Council	Ampilatwatja	171
Utopia	Barkly Regional Council	Based in Arlparra servicing the 16 outstations/homelands (across 2627 km ²) that make up the Utopia Region	207
Yuendumu	The Warlpiri Youth Development Aboriginal Corporation (WYDAC) also commonly known as the Mt Theo Program	Yuendumu	256
Ali Curung	Barkly Regional Council	Ali Curung	243

We are aware that the proposed provisions provide a safety net that may apply to these programs and mean that such programs will have an avenue to compete for funding. However we are concerned that these important programs may not be successful and propose

¹ Australian Census Population and Housing 2011 based on total population aged 0-18 years.

that funding be allocated to them specifically to ensure they continue to provide youth services to this disadvantaged and at-risk demographic. As such we concur with SNAICC's recommendation 4 in the attached fact sheet: that *'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.'*

We will outline some of the factors that support our proposal that these services are unable to be funded as mainstream child care services, and exist in a context that makes them essential services.

One factor that reduces the appropriateness of the proposed user-pays model in this setting is the poverty of the communities. For example half the population of Utopia, one of the communities that will be effected by the changes, has income of less than \$200 p/w according to the 2011 Census². Living remote is expensive, with no public transport, fuel at \$2 per litre and basic food costing 49% more³ in a remote community than in a Darwin supermarket.

The capacity of the local population to pay for Outside School Hours Care from their welfare benefits is also compromised. It is our experience from many decades of casework that many Indigenous people in this region are not accessing the welfare benefits they are entitled to. A lot of our caseworkers time is spent attempting to get people their entitlements, and assisting them when they do not comply with requirements to stay on the benefits. It is not uncommon for our caseworker to find people who have not had any benefits for six months. This can be for a number of reasons, including lack of administrative capacity due to poor English and written skills. The social system that many of these young people live in will support relations who have no money, but it further impoverishes the community and can contribute to stresses that increase family violence.

The ABS data from the 2011 census for Utopia demonstrates the extent of this issue. Table 16 'Labour Force Status By Age By Sex For Indigenous Persons' records that there are 319 Indigenous people in the potential workforce, being aged over 15 years. There are 204 who are described as not being in the labour force, meaning they stated they are not employed nor looking for work, so are not entitled to Centrelink benefits. Of this group there are 19 who are aged over 65 so can be expected to be on an aged pension, and 75 may be disabled (overall disability rate for Indigenous people was 23.4% in 2012⁴). That leaves 110 who are not in the labour force and not entitled to Centrelink benefits, more than the number of people who are in the labour force (82). These numbers are indicative of the issue, and are in accord with our experience on the ground. We think this lack of access to entitlements is typical of the wider Central Australian region and compromises the potential for a user pays approach to work.

² ABS 2011 Census Utopia Basic Community Profile, Table 7 Total Personal Income (Weekly) By Sex For Indigenous Persons

³ Cost of Living report, NTCOSS November 2014 p6

⁴ Steering Committee for the Review of Government Service Provision, Overcoming Indigenous Disadvantage: Key Indicators 2014, Productivity Commission (2014) 4.59)

There are also practical issues that mean the user-pays principle is not appropriate in the remote context. One is that the model of user-pays from benefits means that the service provider cannot plan for the long term. Someone may sign over a portion of their benefit today but change their mind and cancel it tomorrow, making any financial planning impossible. There are no mechanisms for notifying providers if this cancellation takes place, meaning the provider is “flying blind” in relation to their cash flow.

The model also requires the provider to police attendance, denying children access if payment is not received. This level of policing does not make sense in the remote context, and penalises children for matters beyond their control.

This is illustrated by the current issues with the Commonwealths Community Development Program that is resulting in 8 week suspensions for remote jobseekers. At one point recently Minister Scullion estimated that 4000 people had an 8 week suspension in July to December 2015⁵. Under the proposed changes the children of these people would not be able to access the youth services for the duration of the suspensions, further penalising these very vulnerable children.

Conclusion

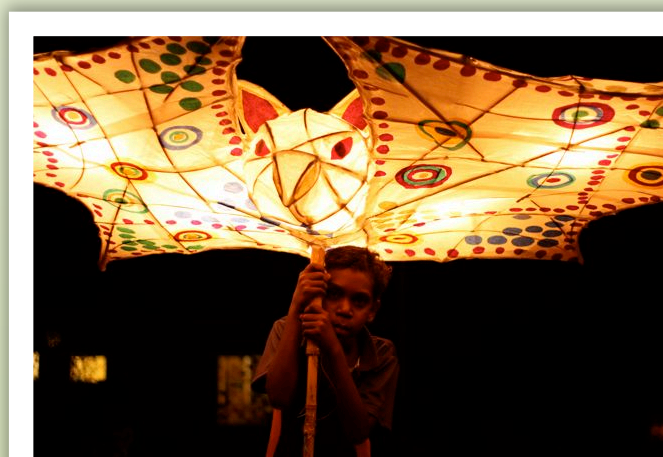
CAYLUS will continue to support remote community children’s access to youth development services as we know this strategy works to reduce substance abuse amongst children, and has many other positive effects. At this stage we really can only speculate as to the way that the proposed provisions may affect youth programs; the Legislation is yet to pass and communication from the Department to service providers has not outlined a clear plan that protects and continues these six programs. We hope the changes that are under way do not disadvantage the children of our region in unexpected ways through the imposition of an inappropriate funding model that would mean the existing programs would have to cease operating, and that consideration is given to providing targeted funding to ensure that the existing OSHC/BBF funded youth programs continue. We urge committee to consider, clarify and highlight the special circumstances of these services as a part of this inquiry.

⁵ see <http://www.abc.net.au/news/2016-06-08/remote-work-for-dole-program-a-failure-academic-says/7492004>

Youth Development in Central Australia Barkly region

Discussion Paper

Central Australian Youth Link-Up Service



"Youth programs are one of the things that are really important in keeping our kids busy, happy, healthy and out of trouble. It also helps them to grow up strong and be role models for other young people. We have that in Yuendumu and it, and my family, helped me to become a young leader now. It's real thing for me, and for the boys and girls who are coming up to be a role model in the future".

Male 22-Yuendumu

There has been lots of break in's recently, 12 kids were involved. Nights when the youth program is on are quiet nights there's not as much trouble.

Male 26 Central Australia

Youth program is good for kids and teenagers, it keeps them busy. One good thing is they take old ladies and young girls on bush trips to share cultural teaching and teach hunting.

Female 50 Central Australia

They do a good job but we need more. There was no disco last week. We need more night time events, even on school nights because the older teenagers still need things to do and if the little kids are kept busy they sleep well and a ready for school the next day.

Female 35 Central Australia

Synopsis

Options and supports for young people and their families have improved considerably in many Central Australian Communities in recent years. Youth Services, the roll out of Opal fuel, school nutrition programs and other supports for families have meant that day to day young people in many communities have a greater range of options, a safer environment and better access to food than the young people of 10 years ago. However major challenges still remain: unlike populations around the world these young people face the likelihood of being less literate (in both western and local language and culture) and dying younger than their grandparents generation. Without a determined effort this generation may be less able than those past to meaningfully participate in the governance and administrative affairs that determine many aspects of their lives. The implications of the work that is done and the decisions that are made now will last well beyond the lives of these young people themselves.

This discussion paper is from the Central Australian Youth Link Up Service, an agency with its feet firmly on the ground in remote Central Australia. It proposes some concrete ways forward that build on what has been working. It proposes that effort needs to be made now to identify and plan to fill gaps in youth program funding in order to ensure that existing momentum is maintained and not lost. We are proposing that youth services are considered 'essential services' in the same way that schools, clinics and power stations are services that are considered basic and necessary parts of remote community infrastructure. Programs that support the recreational social and emotional needs of the next generation need to be present in all Central Australian remote communities, with ongoing rather than episodic funding.

Background

When CAYLUS started in 2002 services for young people in Central Australia were thin on the ground. With the exception of the Mt Theo Program at Yuendumu, youth development services were often run quietly on the side of sport and rec or after-school programs without clear support for this from funders. They suffered from inconsistency due to funding and staffing issues and were often compromised by a lack of regional coordination and quality control.

In the 9 years since, there has been an increasing recognition of the tenuous situation of youth and children in remote communities. Through government initiatives such as the Petrol Sniffing Strategy, The Youth Alcohol Diversion Measure, the NTER and associated programs, The Youth In Communities Measure and recently the Indigenous Advancement Strategy (IAS), a model of integrated and

regionally managed Youth Services has emerged in Central Australia. These programs have been the first occasion in which discreet specific youth programs with a development focus have been funded in the region.

How kids have missed out

Currently the major funding source for youth and social services programs in remote communities in our region is the newly developed Indigenous Advancement Strategy (IAS) in which indigenous funding for a range of Commonwealth departments was combined into a single stream managed by the Commonwealth Department of Prime Minister and Cabinet. One major round of funding has been conducted since the inception of this scheme. Under this round funding of most of the existing Commonwealth funded youth programs in our region was continued at 2014/15 levels without indexation. This continued the status quo which left many communities without reliable youth program funding.

Where there is not core funding of a youth program in place communities instead rely on a patchwork funding much of which is for specific one-off projects, or is renewed year-to-year without any security of future funding. Five community-run youth programs in the CAYLUS region access Commonwealth Outside School Hours Care funding (more recently known as Budget Based Funding (BBF) through the Commonwealth Department of Education. This money has been in place for more than 10 years in these communities and has offered the greater level of stability, though has always been uncomfortable fit for the department(s) who have tended to try and manage the programs towards providing more formal childcare-type services in a traditional childcare setting.

The case for continuing and expanding support for youth development programs

The situation of children and families in remote Central Australian communities is precarious: people suffer from the effects of unemployment and poverty, isolation from services, decaying infrastructure, low levels of English language literacy, and leadership and governance structures that are under great pressure. In this environment the Recreational, Social and Emotional needs of youth often become a secondary priority. Youth programs where they exist are often seen as not having clear and quantifiable results. However as young people increasingly become the largest population in many communities (38% under 14 years of age¹) and take on leadership roles and responsibilities, the need to have young people who are valued

¹ Population characteristics, Aboriginal and Torres Straight Islander Australians, 2006, Catalogue no. 4713.0, ABS, Canberra, 2008.

and capable in both the eyes of their families and the eyes of wider Australia is increasingly apparent. Education in schools while fundamental to this is only part of the answer. Programs that support the recreational, cultural and social and emotional needs to school age kids and their young parents and older siblings, uncles and aunts are also necessary.

Youth services in Central Australia provide the following positive outcomes,

- ❖ increased school attendance
- ❖ improved child and maternal health
- ❖ better child nutrition
- ❖ reduced prevalence of youth substance misuse
- ❖ reduced levels of crime
- ❖ better uptake of employment opportunities by young people
- ❖ local support and coordination for visiting child and family services
- ❖ faster and coordinated response to emerging local child welfare issues
- ❖ better family and community involvement in child and youth services
- ❖ emergency and crisis support for young people and families
- ❖ practical support for emerging young community leaders

The evidence base

The 2010 Strategic Review of Indigenous expenditure acknowledges the value of youth services ²

“Research³ consistently points to the benefits in engaging young people, especially youth at risk, using a ‘strengths’ based approach, rather than a ‘deficits’ based paradigm. In practice, this means utilising approaches that recognised and value the inherent resilience, strengths and capabilities within each person (or family or community) and building on those, rather than the standard approach of focusing on gaps, weaknesses, vulnerabilities and risks – these approaches do not ignore risks, but acknowledge that individuals and communities have a combination of risk factors and protective factors which shape their development.

² p.124 Strategic Review of Indigenous Expenditure, Australian Government, Canberra

³ W Muller, *A Strength-Based Approach to Building Resiliency in Youth, Families and Community* (2005); W Hammond, *Nurturing Resiliency in Youth and Community*, Canada (2005); A Kalil, *Family Resilience and Good Child Outcomes: An Overview of the Research Literature* (2003); Youth Mentoring Network, *Building connections for youth mentoring in Aotearoa New Zealand*.

In this context, evidence⁴ supports the experiences of local youth workers and service providers (in Indigenous and non-Indigenous contexts) that demonstrates that developing and nurturing connections with their cultural heritage – connection to country, ceremony, music, dance, language, lore, etc – as well as modern culture – music, dance, media and technology, sport and recreation – are protective factors for young people as well as ‘soft entry points’ for engaging with those most at risk including those already marginalised and disengaged. This approach can also reinforce the position of traditional elders in Indigenous community life and become mutually strengthening.”

The value of youth development is also recognised in the Key Indicators Report on Overcoming Indigenous Disadvantage 2011⁵. The report states

“The indicators in this strategic area for action focus on the key factors that contribute to safe and supportive communities, as well as some measures of the implications of breakdown in family and community relationships: participation in organised sport, arts or community group activities — participation in sport can contribute to good physical and mental health; confidence and self-esteem; improved academic performance; and reduced crime, smoking and illicit drug use. Indigenous people’s participation in artistic and cultural activities helps to reinforce and preserve living culture, and can also provide a profitable source of employment.”

The Report goes on to quote the evidence for this statement (text has been modified to show full references as footnotes) ⁶

“Participation in sport and recreational activities from an early age has the potential to widely benefit individuals and communities ⁷by:

- strengthening the body and preventing disease — regular physical activity helps to build and maintain healthy bones, muscles and joints and control body weight. Physical activity can also help prevent chronic diseases and assist those with chronic diseases in their health programs⁸

⁴ Bamblett, Muriel, Harrison, Jane. and Lewis, Peter. (2010). *Proving Culture and Voice Works: Towards Creating the Evidence Base for Resilient Aboriginal and Torres Strait Islander Children in Australia*, International Journal of Child and Family Welfare, Vol. 13, Number 1-2, March-June 2010, 98-113. SR Zubrick, SR Silburn, DM Lawrence, FG Mitrou, RB Dalby, EM Blair, J Griffin, H Milroy, JA De Maio, A Cox, & J Li, *loc. cit.* 2005 *The Western Australian Aboriginal Child Health Survey, Vol. 2*

⁵ p.596 Overcoming Indigenous Disadvantage 2011 Key Indicators, Productivity Commission, Steering Committee for the Review of Government Service Provision, Australian Government, Melbourne

⁶ p.598-9 Ibid

⁷ UNICEF (United Nations Children’s Fund) 2004, *Sport, Recreation and Play* United Nations Children’s Fund Division of Communication, New York, August.

⁸ Fereday, J., MacDougall, C., Spizzo, M., Darbyshire, P. and Schiller, W. 2009, “‘There’s nothing I can’t do — I just put my mind to anything and I can do it’: A qualitative analysis of how children with chronic disease and their parents account for and manage physical activity”, *BMC Pediatrics*, vol. 9, no. 1, <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2636806/?tool=pubmed> (accessed 5 November 2010).

- preparing infants for future learning
- reducing the risk of clinically significant emotional or behavioural difficulties — the Western Australian Aboriginal Child Health Survey (WAACHS 2005) found that young Indigenous children who did not participate in organised sport were twice as likely to be at high risk of emotional or behavioural difficulties than Indigenous children who participated in sport (16 per cent and 8 per cent, respectively)⁹
- reducing symptoms of stress and depression¹⁰ A US study found that active children were depressed less often than inactive children¹¹
- improving confidence and self-esteem — a study of year seven students found that students involved in organised sports reported higher overall self-esteem and were judged by their teachers to be more socially skilled and less shy than students who did not participate in organised sports¹²
- improving learning and academic performance — studies have found that the quality and quantity of physical activity affects children's attention levels and academic performance at school. Barber, Eccles and Stone¹³, reported that high school students who participated in organised sports in year 10 completed more years of schooling and experienced lower levels of social isolation than non-participants
- preventing smoking and the use of illicit drugs — Carinduff¹⁴ suggested that involvement in sport and recreation has the potential to reduce levels of substance abuse and self-harm
- reducing and preventing crime — the Australian Institute of Criminology found that participation in sport and physical activity programs reduces antisocial behaviour (such as engaging in drug and alcohol use and criminal offences) and

⁹ Zubrick, S.R., Silburn, S.R., Lawrence, D.M., Mitrou, F.G., Dalby, R.B., Blair, E.M., Griffin, J., Milroy, H., De Maio, J.A., Cox, A. and Li, J. 2005, *The Western Australian Aboriginal Child Health Survey: The Social and Emotional Wellbeing of Aboriginal Children and Young People*, Curtin University of Technology and Telethon Institute for Child Health Research, Perth.

¹⁰ Street, G., James, R. and Cutt, H. 2007, 'The relationship between organised physical recreation and mental health', *Health Promotion Journal Australia*, vol. 18, no. 3, pp. 236-239.

¹¹ ACF (Administration for Children and Families) 2002, *Early Head Start Benefits Children and Families: Research Brief*, ACF, United States Department of Health and Human Services, Washington, D.C.

¹² Bush, L., McHale, J., Vinden, P., Richer, D., Shaw, D. and Smith, B. 2001, 'Functions of sport for urban middle school children', paper presented at the American Psychological Association's 109th Annual Conference, San Francisco, California, 25 August.

¹³ Barber, B.L., Eccles, J.S. and Stone, M.R. 2001, 'Whatever happened to the jock, the brain, and the princess?: Young adult pathways linked to adolescent activity involvement and social identity', *Journal of Adolescent Research*, vol. 16, no. 5, September.

¹⁴ Carinduff, S. 2001, *Sport and Recreation for Indigenous Youth in the Northern Territory*, Cooperative Research Centre for Aboriginal and Tropical Health and the Australian Sports Commission.

improves the protective factors (such as leadership and self-esteem) that prevent young people becoming involved in antisocial and criminal behaviour¹⁵

As such CAYLUS suggests that it is recognised that all youth in Central Australia should have access to at least basic youth services and as such additional funding is made available as a part of this process to support the development of new services in Central Australia.

¹⁵ Morris, L., Sallybanks, J., and Willis, K. 2003, *Sport, Physical Activity and Antisocial Behaviour in Youth*. Australian Institute of Criminology, Canberra.



A FAIR START FOR ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN: RECOMMENDATIONS TO AMEND THE JOBS FOR FAMILIES CHILD CARE PACKAGE

Education is a human right - no Australian child should have their future compromised by being denied access to quality education.

The *Jobs for Families Child Care Package* has been introduced by the Commonwealth government to create a 'more affordable, more flexible, and more accessible child care system.' However, the package as it stands will worsen early years outcomes for Aboriginal and Torres Strait Islander children.

Currently, Aboriginal and Torres Strait Islander Children are twice as likely to be developmentally vulnerable early in life, and only half as likely to access early education as non-Indigenous children.

Analysis by Deloitte Access Economics and SNAICC reveals that, unchanged, the *Jobs for Families Child Care Package* will further disadvantage Aboriginal and Torres Strait Islander children.

But there is a viable solution. Access to quality early years education is proven to have the greatest impacts for vulnerable families, supporting a child's successful transition to school and life-long education and employment outcomes.

Amended, this package provides us with enormous opportunity to Close the Gap. If we can get the supports right in these reforms we can ensure our children are given the fair start in life all kids deserve.

However, without substantial long-term funding, access to and affordability of critical early years services for Aboriginal and Torres Strait Islander families will be threatened.

THERE ARE TWO KEY ELEMENTS OF THE PACKAGE THAT WILL CONTRIBUTE TO THESE OUTCOMES:

- 1. The Budget Based Funding (BBF) Program** - the specific program designed for areas where the user pays model is not viable which supports 19,000 children - **will be abolished**. 80% of services in this program are for Aboriginal and Torres Strait Islander children.
- 2. Access to subsidised Early Childhood Education and Care (ECEC) services will be halved** for children whose families earn less than around \$65,000 per annum (an estimated 78% of Indigenous children participating in the BBF program) and who don't meet the 'activity test'.

The analysis by Deloitte Access Economics, of a sample of 25% of all children participating in long day centres within the BBF program, found that before taking account of potential support through the Child Care Safety Net, the *Jobs for Families Child Care Package* may:

- 1. Reduce access:** 40% of families accessing BBF services, including 46% of families in the lowest income bracket, would be eligible for an average of 13 hours less subsidised hours of child care per week. Enrolments would reduce by 9% and hours of service provision by 13%.
- 2. Increase costs:** 54% of families accessing BBF services would face higher out-of-pocket costs, with an average increase of \$4.42 per hour.
- 3. Reduce service revenue:** 67% of BBF services would receive reduced Government revenue with an average reduction of 9%.
- 4. Undermine regional and remote services:** 90% of regional and 83% of remote BBF services would have reduced government revenue. Remote services would experience an average 34% reduction in funding.

The experience of our services that administer the mainstream funding model suggests that in reality the impacts for Aboriginal and Torres Strait Islander services and families may be worse. Administrative hurdles and prescriptive requirements to accessing subsidies are likely to further reduce service revenue and families' ability to access the Child Care Subsidy.

There are a number of mechanisms within the Child Care Safety Net of the Package designed to support access for vulnerable children. These include:

- the Additional Child Care Subsidy – approximately \$90 million per year
- provision of 24 hours access to subsidised care per fortnight for families earning less than \$65,000 and not meeting the activity test (halved from 48 hours access now)
- the Community Child Care Fund of approximately \$100 million per year
- the Inclusion Support Fund of about \$135 million per year.

The Community Child Care Fund is the central component that seeks to redress the disconnect between a mainstream user pay model and Aboriginal and Torres Strait Islander services, whose mission is to support the most vulnerable children in a community to thrive. It aims to reduce barriers to accessing child care and will provide competitive, time limited grants of 1-3 years.

SNAICC is deeply concerned that the Child Care Safety Net, and in particular the Community Child Care Fund, is not constructed in a way that will redress identified concerns with the package, leading to a range of additional unintended policy consequences. Specifically:

- **There is insufficient funding:** the total allocation for the Community Child Care Fund available to services is about \$100 million is per annum, or under 1% of the \$10.5 billion investment in the mainstream Child Care Subsidy. This will be grossly inadequate to meet the needs of the most vulnerable families. A further \$100 million should be cashed out from the Community Childcare Subsidy and allocated to an Aboriginal and Torres Strait Islander specific program.
- **Community services can't compete:** the Community Child Care Fund will provide competitive grants open to an estimated 4,000 services. Small community services set up to meet the needs of remote and vulnerable communities will struggle to secure adequate funds in competition with strongly resourced mainstream providers.
- **Sustainability can't be achieved:** Community Child Care Fund grants will be time limited and linked to a business plan requiring services to demonstrate long-term service sustainability, failing to recognise the entrenched poverty, long-term unemployment and disadvantage that make sustainability without additional government funding impossible in many communities.
- **Vulnerable children will receive less education:** 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.

- **The 15,000 place gap in ECEC participation** for Aboriginal and Torres Strait Islander children identified by the Productivity Commission will increase.
- **The Aboriginal and Torres Strait Islander community controlled service sector will be diminished,** contrary to evidence that Aboriginal and Torres Strait Islander service delivery increases Indigenous family engagement and provides the best results for vulnerable children. It also defeats policy objectives to empower and build capacity for Aboriginal and Torres Strait Islander communities.
- **Traditional market failures ignored:** Aboriginal and Torres Strait Islander services have grown organically to respond to a gap in the market and a failure of mainstream services.
- **Closure of a range of vital services that do not fit a mainstream ECEC model:** playgroups, mobile services and out of school hours care, for example, will not be viable under this package. Currently, there are no program alternatives being offered for these services.

The package fails to understand that Aboriginal and Torres Strait Islander ECEC services have a different purpose to other services: they **support the wellbeing of the most vulnerable children and families in the community** – not just families' work choices. They prioritise access for Aboriginal and Torres Strait Islander children not accessing, or unlikely to access, mainstream services, and through their unique features overcome

many of the identified service access barriers Aboriginal and Torres Strait Islander families experience. They are **holistic and responsive** to child and family need, including integrated language development, speech and hearing supports, as well as broader health, family support, capacity building and early intervention. They are Aboriginal and Torres Strait Islander led and support local employment and up-skilling community.

How Aboriginal and Torres Strait Islander children fare will be a litmus test for the *Jobs for Families Child Care Package*.

Now is the time to ensure we have the details right.

KEY RECOMMENDATIONS

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.