

## The goals of a good national system: placing priority on the wellbeing of children

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### Taking a child wellbeing perspective on early childhood education and care

This chapter takes a child-centred focus on debates about the goals of a good childcare system, and takes as its particular priority the interests and needs of children in low-income and socio-economically disadvantaged families and their right to benefit from participation in mainstream early childhood education and care (ECEC) services of good quality. Two recent influential Australian reports (ACOSS 2006; Press 2006) and the OECD (2001) adopt the term early childhood education and care (ECEC) to refer to formal prior-to-school care and education for infants and young children, covering services such as long day care centres, family day care, registered in-home care and pre-schools (or kindergartens in some jurisdictions) that provide sessional care and education for children one to two years prior to the commencement of school. I would add to this list, out-of-school hours care, of increasing significance as mothers in two parent and sole parent families increase their labour force participation when their children enter school, and as the implementation of welfare-to-work legislation from 1 July 2006 mandates at least 15 hours of paid work or employment-related activity for income support recipients once their youngest child is aged six.

The argument here is predicated on the well-substantiated international literature which demonstrates that good quality early childhood education and care services are of benefit in improving the social/emotional wellbeing, and cognitive development outcomes for all children, particularly for low income and disadvantaged children – an effect which recognises children both as *present citizens* whose wellbeing should be paramount and as *future citizens* with respect to the enhancement of their educational and employment participation, often called their *human capital* (Lister 2004).

The definitions of children as either present and/or future citizens, justifying continuing and increased social investment in family payments and children's services, are not seamless and uncontroversial. Indeed the differentiations are keenly debated and the foci of what have often been two substantially different perspectives may have different policy implications (although this is not necessarily the case). The focus in the literature on the present wellbeing of children and the ways in which this is linked to future wellbeing is encompassed in the following quotation which is situated in the Australian context:

There are perhaps two ways of considering good childhoods. One way is to consider how children's development can be supported so that their life chances are optimised (rather than reduced). The other is to take seriously the lives of children in the here and now, in order to bring about a deeper understanding of and respect for children. This understanding must be woven into the fabric of our cultural, political and social landscape and be integrated into all relevant policy (*Press 2006, p. 4*).

In the European and UK contexts, commissioned reports concerned with promoting child-centred social investment strategies have argued that if the new welfare state architecture is to intervene in the intergenerational inheritance of socio-economic disadvantage, manifested in child poverty and social exclusion, then the centrepiece of policy must be a 'social investment strategy directed at children' (Esping-Andersen 2003, Lister 2004).

In articulating one of the key premises of a child-centred investment strategy, Esping-Andersen states:

Life chances are powerfully over-determined by what happens in children's life prior to their first encounter with the school system. It is this that explains why a century of educational reform has failed to diminish the impact of social inheritance; why parents' social status continues unabated to dictate children's educational attainment, income or occupational destination. For both welfare and

efficiency reasons, this impact must be weakened...  
(*Esping-Andersen 2003, p. 142–3, quoted in Lister 2004, p. 159*)

In quoting Esping-Andersen, Ruth Lister (2004) goes on to argue powerfully against the discourse of social investment in children as a form of citizen future-worker instrumentalism. In such discourses, economic ends become the centrepiece of policy. Arguments for investment in the citizen-child of the present are more justifiable, placing the *quality* of their childhood at the centre of the analysis and of policy making. In supporting the policy objective of substantially increased investment in children's early childhood education and care services of good quality, it is of singular importance that the focus on future is accompanied by a concern for the present wellbeing of children, and their opportunities for human self-realisation: a new paradigm of childhood in which children are seen as 'beings rather than becomings' (Fawcett et al. 2004 in Lister 2004, p. 172).

In Australia, the politically significant Council of Australian Governments (COAG) report *Human Capital Reform* (2006) advocates policy intervention in early childhood development because of the important long-run consequences for life and learning, setting a target 'to increase the proportion of children entering school with basic skills for life and learning' (p.15). While this is undoubtedly an instrumental human capital approach to children's wellbeing, the COAG report also focuses on children's life chances, especially for those born into disadvantaged families:

Many children are left behind from the start. Confronting early disadvantage is often more effective than seeking to remedy disadvantage later in life (*COAG 2006, p. 3*).

It could be argued that the economically-imbued human capital approach of the COAG process might become the impetus for translation into policy action with respect to increased investment in child care and early childhood education, fitting within the paradigm of the child as future citizen worker and useful, healthy, law-abiding citizen – as is argued in the influential work of Heckman (2006). It is however crucial to consider what the

priorities would be if a child-centred social investment approach were adopted to enhance the material, social, and cultural resources directed to children on the basis of equity and the promotion of a good childhood in the present, and not predominantly on the basis of economic efficiency.

Since the mid 1970s in Australia, child care and early childhood education have increasingly been seen as separate objectives, separate programs subject to different jurisdictional oversight, financing and policy setting (as indeed they largely still are). This was not the vision of feminist and community-based advocacy from the early 1970s which saw the integration of care and early childhood education as a federally-funded, universally available, nationally planned public good, with the objective of promoting children's wellbeing, gender equity and enabling women's labour force participation (Brennan 2002). The policy of the Whitlam Labor government in 1974 to establish a national network of flexible, community-based services that would cater to all children regardless of their parents' workforce status, and in which there was to be no distinction between educating children and caring for them, foundered on the rocks of the early demise of the Whitlam government, and was also compromised by the submission model for community-based allocation of services. However, these initiatives were of great significance for the future development of childcare policy under the Fraser government and the very significant expansion of the program and much increased affordability of services during the period of the Labor governments from 1983–96. Nevertheless, as Brennan (2002, p. 103) notes, by the latter part of the 1980s, the discursive construction of child care and its purposes changed: child care was to be about 'facilitating labour force participation, enhancing productivity, and assisting the welfare to work transition'. This increasing economic instrumentalism and retreat from a discourse of integrating care and education was exacerbated in the subsequent period from 1996 under the Coalition government with significant increase in support for the commercialisation of child care in terms of its provision and market-driven principles of supply, and retreat from the former central government planned model of direct investment in and

regionally-based allocation of services. The current discourses, both official and from advocacy groups, centre on:

- the increased supply of child care places to enhance access, especially in poorly-served locations
- the debate about the equity effects of the two existing tax/benefit methods for making child care more affordable: on the one hand the child care benefit which offsets the costs of child care and has been evaluated as an equitable redistributive measure based on an income-test to determine need; on the other hand, the childcare tax rebate, a measure which cuts across the equity trajectory by providing greater benefit to higher income parents whose childcare costs are highest
- the issue of much better and much more strongly enforced regulation which will promote the quality of services.

Where does this leave the issue of early childhood education? This lies predominantly in the hands of the preschool and kindergarten sector, subject to state/territory planning and control. Nevertheless, there is a growing discourse, political (COAG 2006), medical (Vimpani 2005) and from early childhood experts and advocates (Zubrick et al. 2000) which argues strongly the case for national investment in early childhood. There is now a growing body of evidence that the care/early childhood nexus, in interconnected ways, has a key place in enhancing the wellbeing of children, in particular socially disadvantaged children, as demonstrated well in the UK Evaluation of the Effective Provision of Pre-School Project: Final Report (Sylva et al. 2004). The report *What about the kids? Policy directions for improving the experiences of children in a changing world* (see Press in this volume) focuses on the role of high quality early childhood education and care as a key set of services and resources which indirectly support children's wellbeing by enabling parents, in particular mothers, to enter or remain in the paid labour force, and thus to escape or evade poverty. I would also add the benefit to children and their parents and to the community of services which enhance gender equity in participation in a range of familial, employment, social and political

spheres (HREOC 2005). In addition, *What about the kids?* notes that the benefits of good quality children's services reach beyond their relationship to the labour market, beyond the *human capital* approach. Good quality children's services have been shown to:

- enhance children's concurrent development and development over time
- provide interventions which mediate the impact of particular impediments or risks
- provide a safe and secure environment for children in which they can engage in a range of projects and activities as well as develop relationships with peers
- provide a site for building parental supports and networks.

(Press 2006, p 10).

Evidence which supports these claims is provided in a draft report by Dolby et al. (2005), *An outcome study of the use of children's services as a strategy in child protection*, which cites a range of studies which show that in the case of highly disadvantaged children, usually from families living in poverty, who come within the jurisdiction of child protection authorities, good quality children's services give children the opportunity to develop secure attachments with significant adults outside the home and provide children with safe and stimulating environments (Peisner-Feinberg & Birchinal 1997). This is especially the case for children in difficult life circumstances.

Early child care relationships have been found to influence later teacher-child relationships when children are in primary school. In children's services, children can learn constructive patterns of relating to peers and develop social competence, which can carry forward to school. Research shows that workers in children's services not only monitor children's welfare, but also play an important role in detecting early signs of abuse and neglect...However, the quality of centre-based care can

vary substantially and this in turn influences outcomes  
(*Dolby et al. 2005, p. 1–2*).

This longitudinal study of administrative data (as noted in the draft report, *Dolby et al. 2005*) found that the continuing use of children's services protects children at risk from further incidents of harm, assists in maintaining the child within their family and prevents the child being placed in out-of-home care. This is not only of great benefit to the child, but provides significant respite for the parent, usually the mother. Mainstream children's services offer a place of contact and valued information for parents.

### **Are children in low income families missing out?**

Given the wealth of evidence, some of which is cited above, on the effective and beneficial impacts of child care and early childhood education on the social/emotional/safety and cognitive development of socio-economically disadvantaged children (*Sylva et al. 2004*) and especially children in state child protection systems in Australia (*Fisher et al. 2000*), it is instructive to examine some of the Australian evidence on children's participation in formal and informal child care and preschool.

An analysis of some of the tables in *ABS Child Care June 2005* (*ABS 2006*) indicates that participation in various forms of child care and preschool is skewed towards children in higher income families and families with employed parents. Across all couple families, the proportion of children aged 0–12 using child care was 43.8 per cent: however, for children in families whose weekly income was less than \$600 per week, the proportion of children in child care fell to around 26.6 per cent; rose to 39.2 per cent for children in families with a weekly income of \$800–\$999; to 54.6 per cent for children in families with a weekly income of \$1400–\$1999; and then to 59.0 per cent for children in families with a weekly income of \$2000 or more. This indicates that children in the highest income two parent families were more than twice as likely to participate in child care than were children in lower income families.

Turning to formal care arrangements, in which on average 20.1 per cent of children aged 0–12 participated, (including before and/or after school care, long day care, family day care and

occasional care) children in low income families were significantly less likely to be attending, compared with children in higher income families (9.8 per cent in families with a weekly income of \$400–\$599; 25.7 per cent in families with a weekly income of \$1400–\$1999). Of particular interest, children in higher income families also received considerably more informal care, predominantly from grandparents and other relatives, than did children in lower income families (14.9 per cent of children in families with a weekly income less than \$400, compared with 38.0 per cent of children in families with a weekly income of \$1400–\$1999). (ABS 2006, Table 12, p. 26).

Looking at children in one parent families (ABS 2006, Table 13, p. 27), a similar story emerges: whereas 55.6 per cent of children aged 0–12 participated in child care, this proportion rose from 43.0 per cent for children with weekly parental income of less than \$400, to 85.4 per cent of children with weekly parental income of \$1200 or more. And again with respect to usage of formal care services, the proportion increased significantly as income increased, from 18.4 per cent to 34.3 per cent. The use of informal care is skewed for children in one parent families, with children in lower income families considerably less likely than higher income children to receive the care of grandparents and other relatives.

A very similar story is evident in Tables 21 and 22 examining the relationship between employment in two-parent and one-parent families and children's usage of child care. By far the highest usages of child care are recorded for children in couple families who have an employed father and mother employed full-time, with the proportion falling where the father is employed and the mother employed part-time, falling further where only the father is employed and further still where the father is not employed. Similar trends are evident in the usage of formal and informal care. For children in one parent families, the trend in children's usage of child care services, both formal and informal, is again related to their parent's employment: children of an employed parent are more than twice as likely to use both formal and informal care.

It might reasonably be concluded that it is the employment of parents which triggers the need for formal and informal child care, and which also ensures higher weekly parental income. It might thus be suggested that when child care is not required by parents to



support their labour force participation, their children should not be seen as missing out on childcare attendance: child care by other than parents is simply not needed. However, the lack of other social domains of potentially beneficial interactions with a range of peers, carers and the stimulus of play, and the social/emotional/cognitive benefits of child care (as long as the quality is good) is unequally borne by low income children.

In addition to the relationships between parental income, employment and children's childcare attendance, there are other dimensions of unequal access: Aboriginal and Torres Strait Islander children remain significantly under-represented in federally funded child care: while Indigenous children comprise 4.2 per cent of all children aged 0–12, they make up only 1.5 per cent of children aged 0–12 in federally funded child care (ACOSS 2006). Further, whereas children with a disability comprise 8.2 per cent of children under 12, they make up only 2.1 per cent of children in government approved child care (ACOSS 2006).

And it is not only in the sphere of child care that unequal participation is evident. This is also the case with respect to attendance in preschool services, which are increasingly seen as providing vitally important preparation for children's social and cognitive development, enhancing their social participation and capacity to learn and play as a precursor to entry into school. Table 26 (ABS 2006, p. 4) shows first that over the period 1996–2005 the numbers of children attending preschool increased by about 28 per cent (from 200 600 to 257 100): however, over that time, the percentage of all children attending preschool who did not have a parent in their family who was employed fell from 13.6 per cent to 11.6 per cent. This fall in the proportion of all children in preschools who are from jobless families, even as the numbers of children in preschools increased, suggests either that the numbers of children of preschool age whose parents have no employment has decreased, or that preschool services are becoming increasingly utilised by children in families with employed parents. From other evidence (Richardson & Prior 2005), it would be more appropriate to conclude the latter: that one of the key childhood experiences of preschool learning, sociality and inclusion is less available to socio-economically disadvantaged children than would be considered equitable and desirable. Research is required to explore this vital

issue: what are the data on access to preschool as well as child care; is there restricted entry in some states because of issues of affordability? These are vital policy concerns for an early childhood education and care agenda concerned with quality, affordability and equity (ACOSS 2006).

### **Some policies of critical importance for affordability**

In this chapter I will address only policies impacting on the affordability of early childhood education and care, as they affect the access of children in low income and disadvantaged families. The most equitable, effective and redistributive policy is the Child Care Benefit, which can be claimed by parents whose children are in registered services or approved services (including predominantly long-day care, family day care, out-of-school hours care and in-home care). Child Care Benefit may also be claimed by parents when care is being provided by relatives, friends or nannies who are registered with the Family Assistance Office. Some services, such as non-government and private preschools are also eligible to become registered through the Family Assistance Office. The salient characteristic of Child Care Benefit is that it is income-tested on parental income and provides maximum benefit, in terms of child care fee subsidy, to lower income families, although since service fees are not capped, there may be significant gap fees to be paid between the actual cost of care and the amount offset by the CCB. The amount of benefit which may be claimed for hours of care is related to the parents' employment and education participation. Up to 50 hours of CCB may be claimed when both parents or the sole parent are in full-time or part-time employment, engaged in voluntary work, looking for work, studying or training, have a disability or care for a child or adult with a disability (FaCSIA, *Child Care Service Handbook 2005–6*, 2006). Following the Federal Budget 2005–6, families who do not meet these work-related criteria may be eligible for up to 24 hours of care per week (an increase on the previous limit of 20 hours per week). It is in this category that many low income parents who are not in employment fall, a category of significant importance because 24 hours of child care per week may provide care for three days or sessional care for five days per week. The remaining issues to be explored include not only access to services in the regions in which low income families

are located, but also the level of the gap between the actual fee and the CCB relief, and this may be one of the salient issues in limiting the participation in child care and preschool services of children in low income families.

With regard to children considered at risk of serious abuse or neglect, an application may be made, usually by a relevant authority or caseworker, for Special Child Care Benefit, which enables an increase for more than 24 hours of attendance in a childcare service which will attract CCB fee subsidy. This may be approved for up to 13 weeks in a financial year, and where the circumstances extend beyond 13 weeks, approval for extension may be sought from the Family Assistance Office. It is evident that this policy is an attempt to coordinate, to some extent, the jurisdictions at national and state/territory levels in the provision of subsidised care for the most disadvantaged children. The potential gap in fees may be covered by relevant state and territory child protection authorities and NGOs, however the issue of the limited time period over which Special Child Care Benefit is provided is one which requires further exploration, having regard to the wellbeing of children. The ACOSS Report (2006) also raises the matter of the affordability of preschool services in each state and territory and calls for overarching national policies to address this – a matter of considerable significance for children in low income families, as noted in the analysis of the ABS data above.

As to the other federal childcare fee related policy, the Child Care Rebate, this tax measure will provide a rebate of up to \$4000 in respect of 'out-of-pocket' childcare costs (that is costs after the Child Care Benefit subsidy) to those who receive Child Care Benefit for approved care and are either in paid work, studying or training for the purposes of future employment. In contrast to the CCB, the Child Care Rebate provides greatest benefit to parents with the highest childcare costs, who are most likely to be those on higher incomes (ABS, 2006). Further, as a rebate to offset tax liability, this measure is unlikely to benefit low income parents. Because of the regressive redistributive tendencies of this tax rebate measure, it is most unlikely to alleviate the circumstances of children in lower income families not able to access services because of issues of affordability.

## **Conclusion**

A considerable amount of intensive policy deliberation is required to integrate child care and early childhood education priorities, to address accessibility, affordability and quality, and to better coordinate policies at federal and state/territory levels. This is essential if the needs and circumstances of children in all families and especially in low-income families are to be equitably and effectively addressed. In considering development of a national framework for investment in early childhood to benefit all children and in particular socio-economically disadvantaged children, these matters are critical.

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