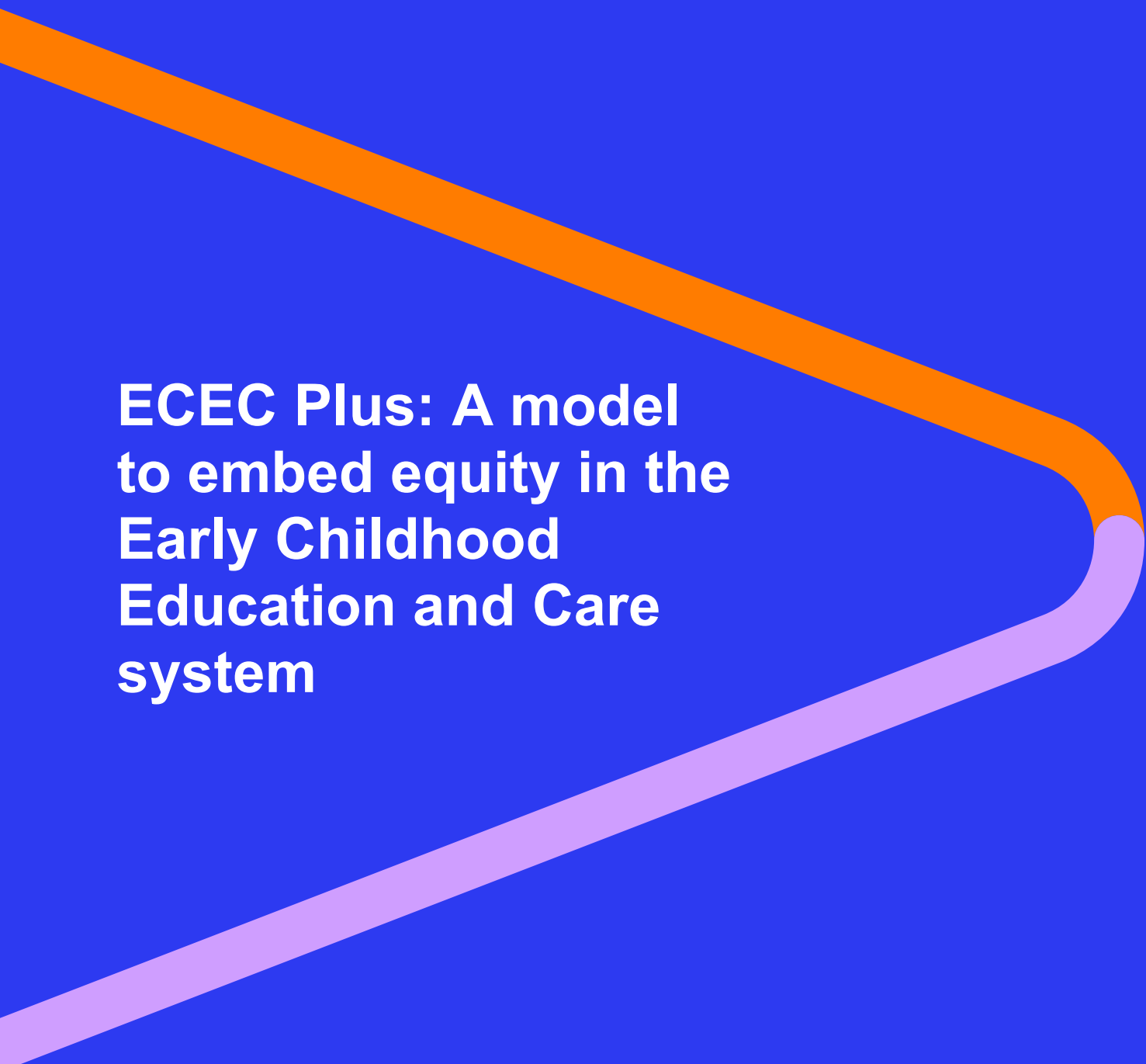




ECEC Plus: A model to embed equity in the Early Childhood Education and Care system



Acknowledgment of Country

Social Ventures Australia acknowledges and pays respect to the past and present traditional custodians and elders of this country on which we work.

‘After the Rains’ by Richard Seden for Saltwater People 2024

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Legal disclosure statement

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Executive summary

Children's early years lay the foundation for lifelong learning and wellbeing outcomes. With more than 1.4 million children participating in government-funded early childhood education and care (ECEC) each year, Australia's ECEC system is an important platform to provide equitable early learning opportunities, and reduce inequalities in social and educational outcomes. There is significant opportunity to improve ECEC investment outcomes by redesigning and funding the system to better direct resources and build the required capacity of centres in communities with higher needs.

Despite the clear evidence ECEC must be high quality to deliver the strongest benefits for children experiencing socioeconomic disadvantage, Australia lacks a consistent, needs-based approach to ensure centres teaching and caring for these children are adequately supported. Unlike school education – where the Schooling Resource Standard includes equity loadings – ECEC funding and resourcing are not systematically linked to children's, families' or communities' level of need.

In low socioeconomic areas, ECEC services often have more capacity challenges and fewer resources available to implement activities associated with early learning at the required quality to change children's trajectories. As a result, not all children are provided the opportunity to achieve the learning outcomes they are capable of – demonstrated by persistent and widening inequities in children's development by the time they start school.¹ This diminishes the social return on the existing investment and also leads to higher long-term service delivery and social costs as developmental gaps become harder to close – evident later in lower school achievement, increased service use and poorer health, wellbeing and employment outcomes.²

This paper discusses a potential model of enhanced ECEC, titled 'ECEC Plus', designed to support children and families who face early childhood disadvantage,³ and discusses options for funding models to support its delivery. This paper complements existing work (see Box 1) identifying communities with high early childhood disadvantage and exploring the types of responses and early childhood models that could best support children and families living there.

ECEC Plus builds on the current ECEC system by providing additional capacity to centres in communities with higher needs, including a focus on partnerships with families to support children's learning and development at home and at ECEC. It meets the need for a more enhanced ECEC model that can still be delivered through the existing system, while noting that continued investment in system-wide quality as well as culturally specific and intensive ECEC models must also form part of this system.

¹ Australian Government Department Education (2025). *Australian Early Development Census National Report 2024*.

<https://www.aedc.gov.au/resources/detail/2024-aedc-national-report>

² O'Connell, M., Fox, S., Hinz, B. & Cole, H. (2016). *Quality early education for all: Fostering creative, entrepreneurial, resilient and capable learners*. Mitchell Institute Policy Paper No. 03/2016. Victoria University. <https://www.vu.edu.au/sites/default/files/quality-early-education-for-all-mitchell-institute.pdf>

³ *Early childhood disadvantage is used as a term to describe communities with both high socio-economic disadvantage and early childhood vulnerability. These areas are in SEIFA deciles 1-4 and have over 10% of children developmentally vulnerable on two or more AEDC domains.*

ECEC Plus includes five components:

1. Enhanced staffing and skill mix – increasing staff-child ratios and qualifications above minimum standards
2. Professional supports and conditions – offering ongoing professional learning, coaching and supervision to build and maintain staff capability and wellbeing
3. Leadership and management support – investing in strong, context-informed leadership and data-driven quality improvement systems
4. Family engagement – embedding outreach and partnerships with families to support children's learning, foster participation and address barriers
5. Wrap-around health, development and family supports – connecting ECEC with allied health, social and family-centred support.

Delivering ECEC Plus requires skilled leadership, a strong team culture and a solid foundation of a commitment to quality. For this reason, ECEC Plus should initially be implemented in high-quality or highly capable centres that demonstrate readiness and motivation to engage in an enhanced model.

ECEC Plus relies on enabling system infrastructure to ensure centres receive tailored, locally-relevant support to implement the model, and are connected to other ECEC Plus centres and local initiatives. Successful implementation requires coordinated stewardship between the Australian, state and territory governments – ensuring alignment with existing initiatives and funding streams and avoiding duplication and fragmentation.

This paper aims to inform current reform processes in Australia's ECEC system and is particularly relevant to considerations relating to improving equitable learning and education outcomes and ECEC governance, funding, workforce and capacity building.

ECEC Plus is one essential piece needed to transform Australia's early childhood system into one that delivers on its promise – where every child thrives at home and in high-quality and well-supported ECEC.

Box 1: Related work exploring the need for enhanced and holistic ECEC

- [Targeting investment where it counts: a report identifying communities for investment in priority learning models](#) (SVA)
- [Sticking points: Why the 'glue' helps Early Childhood Hubs thrive](#) (SVA)
- [Funding Model Options for ACCO Integrated Early Years Services Final Report](#) (SNAICC)

Findings

Australia lacks a consistent needs-based funding model for ECEC. Current funding arrangements do not systematically allocate funding based on the level of need of enrolled children, nor do they enhance the capacity of centres operating in areas with higher needs.

ECEC is available in many communities with high early childhood disadvantage, providing an opportunity to enhance existing services to address early childhood inequities.

ECEC centres in communities with high early childhood disadvantage are supporting more children and families with additional needs compared to other communities. Often, centres in these communities have fewer resources and face more challenges to recruiting and supporting qualified staff and leaders. Some services are implementing strategies to meet learning and development aspirations for children, but opportunities to resource these are varied. There is also an **overall poorer availability of high-quality ECEC** in low socio-economic communities.

A consistent national approach is needed to improve equity in ECEC funding. Drawing together existing ECEC funding streams into a more consistent national model that extends beyond preschool to include children from birth that can amplify the impact of these disparate funding streams. This will create efficiencies for eligible centres and target investment in communities with high rates of early childhood disadvantage.

An enhanced ECEC model, 'ECEC Plus', would address a gap in Australia's ECEC system for centres supporting more children in communities with high rates of disadvantage.

Evidence and promising practice indicates there are core components of ECEC Plus that would enhance centre capacity and enable stronger partnerships with families to improve outcomes for children. **ECEC Plus requires strong foundations for successful implementation.** It is challenging and intensive work that needs adequate resourcing, committed and motivated staff, skilled leadership and sound practices.

Recommendations

1. **Ensure early childhood disadvantage is included in all elements of ECEC system design and reform**, including the definition of equity and priority populations, pricing projects and funding decisions, targets and measurements.
2. **Develop and implement an ECEC Plus model to enhance capacity in high-quality ECEC centres in communities with high levels of early childhood disadvantage.** This includes:
 - enhanced service capability – strengthening staff resources, skills, leadership and management support to better support local need
 - supporting families – building relationships and capacity to engage in children’s learning and development
 - providing tailored supports – including family outreach and integrated wrap-around health, development and family supports
 - developing a ‘readiness’ stream, to support identified centres to address capacity gaps limiting high-quality and prepare them for a full ECEC Plus model
 - providing government oversight, coordination and clear eligibility criteria to ensure decisions are context-informed, accountable and effectively targeted
 - testing to identify successful components, conditions for effective implementation, and suitable funding mechanisms
 - evaluation to identify impacts and outcomes for children, families and communities.
3. **Drive quality and capability uplift across the ECEC system** to ensure consistently high-quality for all children. This should include incentives, adequate funding and support for continuous quality improvement.
4. **Engage families** in the design, governance and evaluation of ECEC system activities, including ECEC Plus models and in particular those with early childhood disadvantage.

Key terms

ECEC Plus	A proposed enhanced early childhood education and care model that strengthens service capacity and adds supports to engage families and to meet the needs of children. It focuses on high quality, or high capacity preschool and long day care services in communities experiencing early childhood disadvantage.
Four-year-old preschool / 'year before school'	A preschool program in the year before full-time school delivered by qualified early childhood teachers through intentional, play-based learning, underpinned on an approved framework. All states and territories offer a program. Program details such as name, hours, cost and location vary by jurisdiction. Eligible enrolment age also varies. Sometimes referred to as 'four-year-old preschool or kinder.
Three-year-old preschool / 'two years before school'	Some states and territories are expanding access to preschool for children two years before formal schooling, and this is sometimes called 'three-year-old preschool'. Jurisdictions offer varied hours and subsidies/costs to families.
Australian Children's Education and Care Quality Authority (ACECQA)	An independent statutory authority that assists governments in implementing the National Quality Framework (NQF) for early childhood education and care in Australia.
Developmental vulnerability	In this paper, developmental vulnerability refers to children showing challenges in two or more areas measured by the Australian Early Development Census (AEDC). These areas include physical health, social skills, emotional maturity, language and cognitive development, and communication abilities.
Early childhood disadvantage	Early childhood disadvantage is used as a term to describe communities with both high socio-economic disadvantage and early childhood vulnerability. These areas are in SEIFA deciles 1-4 and have over 10% of children developmentally vulnerable on two or more AEDC domains.
High-quality	The NQF outlines assessment of service quality across seven quality areas: 1. Educational program and practice 2. Children's health and safety 3. Physical environment 4. Staffing arrangements 5. Relationships with children 6. Collaborative partnerships with families and communities and 7. Governance and leadership.

	An overall rating is calculated from performance across these seven areas, rated as: Excellent, Exceeding, Meeting, Working Towards, or Significant Improvement Required. High-quality refers to ECEC services with an ‘excellent’ or ‘exceeding’ overall assessment rating as per NQS.
High-capability	In this paper, high-capability refers to ECEC centres which demonstrate requisite capability, motivation and practices to deliver enhanced ECEC but may not have a ‘high-quality’ rating that meets the definition due to external factors like workforce challenges. It is expected that supports through ECEC Plus could help high-capability centres to address some of these external factors, while ensuring a standard of quality required to support children and families with early childhood disadvantage. High-capability is a descriptive term for the purposes of this paper only and is not formally defined in the NQF.
National Quality Framework (NQF)	Australia’s national system for ensuring quality in early childhood education and care. It sets consistent standards for regulation, assessment, and improvement across services.
Needs-based or equity-based funding	Needs-based funding responds to the needs and level of disadvantage of each child and family, based on their individual circumstances.
Priority groups	Priority groups refer to children and families with greater susceptibility to adverse learning outcomes because of structural inequities. This may include: Aboriginal and Torres Strait Islander people, children with additional needs or disability, children from culturally and linguistically diverse backgrounds, people with refugee or asylum seeker status, people in low socioeconomic circumstances, Health Care Card holders, and children in out-of-home care. In this paper, ‘priority groups’ means the groups identified by the research or initiative being cited, and the source material should be referred to for an exact meaning in context.
Schooling Resource Standard (SRS)	A benchmark used to estimate how much public funding a school needs to support its students. It includes a base amount, 4 student-based loadings (Aboriginal and Torres Strait Islander students, students with a disability, socio-educational disadvantage and low-English proficiency loadings) and 2 school-based loadings (school size and school location). The Australian Government uses the SRS to guide school funding, contributing at least 20% for government schools and 80% for non-government schools.

Introduction

The early years of a child's life – from birth to school – are foundational for lifelong health, development, wellbeing and learning outcomes. There is a growing awareness of the opportunity to build on Australia's early childhood systems to reduce entrenched educational and social inequities.

Evidence shows high-quality ECEC improves long-term outcomes for children.⁴ High-quality, structured, play-based learning environments offer cognitive, emotional and social development benefits, with the strongest effect shown in children from disadvantaged backgrounds.⁵ Australian governments recognise this potential and are investing in strengthening ECEC system quality and accessibility, supporting more than 1.4 million children who currently participate in government-supported ECEC.⁶

However, the potential of ECEC to narrow disparities in development, learning and wellbeing⁷ in early childhood is not being realised, because children do not have equitable access to high-quality ECEC. Children in low socioeconomic circumstances are less likely to attend ECEC than their peers, and when they do attend, are less likely to access high-quality services.⁸ Barriers to participation for children from low socioeconomic backgrounds include both direct costs (fees), indirect costs (e.g. travel, food and clothing supplies) and non-cost related barriers (e.g. language barriers, disability, racism and exclusion, family challenges, awareness of ECEC benefits).⁹

Children experiencing early childhood disadvantage may also face additional early development impacts from stressors in early life and fewer home or community resources that support development. These challenges for children and families in turn create pressures on ECEC centres operating in low socioeconomic areas. Centres are likely to be supporting more children and families who require additional support compared to services in more advantaged areas¹⁰ and have less ability to generate income through higher fees.

Despite a demonstratable link between early childhood disadvantage and children's later development and educational outcomes,¹¹ Federal funding to ECEC services does not consider the characteristics of the children or community. ECEC centres operating in low socioeconomic communities are not provided with additional resources or capacity building to ensure they can adequately support the children and families attending the centre. The Australian Government's

⁴ Centre for Policy Development (2021). *Starting Better: A guarantee for all children and families*. <https://cpd.org.au/work/starting-better-centre-for-policy-development/>

⁵ Melhuish, E., Ereky-Stevens, K., Petrogiannis, K., Ariescu, A., Penderi, E., Rentzou, K., Tawell, A., Slot, P., Broekhuizen, M., & Leseman, P. (2015). *A review of research on the effects of early childhood Education and Care (ECEC) upon child development*. Curriculum Quality Analysis and Impact Review of European Early Childhood Education and Care (ECEC).

https://www.researchgate.net/publication/291970194_A_review_of_research_on_the_effects_of_early_childhood_Education_and_Care_ECEC_upon_child_development_CARE_project

⁶ Productivity Commission (2025), *Report on Government Services 2025 - Child care, education and training Part B*. Canberra. <https://www.pc.gov.au/ongoing/report-on-government-services/2025/child-care-education-and-training/>

⁷ Heckman, J. J. (2011). The economics of inequality: The value of early childhood education. *American Educator*, Spring. <https://files.eric.ed.gov/fulltext/EJ920516.pdf>

⁸ Tang, A., Rankin, P., Staton, S., & Thorpe, K. (2024). Access to high-quality early care and education: Analysis of Australia's national integrated data. *Early Childhood Research Quarterly*, 67, 352–362. <https://doi.org/10.1016/j.ecresq.2024.02.001>

⁹ Uniting NSW ACT (2025). *More than Money: Why some children are still left behind by early learning*. <https://www.uniting.org/blog-newsroom/research-publications/Articles/white-paper-more-than-money>

¹⁰ Centre for Policy Development (2021). *Starting Better: A guarantee for all children and families*. <https://cpd.org.au/work/starting-better-centre-for-policy-development/>

¹¹ Tham, M., Leung, C., Hurley, P., Pilcher, S., & Prokofieva, M. (2025). *Unequal from the Start: the achievement gap and the early years*. Mitchell Institute, Victoria University. <https://content.vu.edu.au/sites/default/files/documents/2025-04/unequal-from-the-start-report-march-2025.pdf>

Inclusion Support Program¹² does not target funding based on early childhood disadvantage, and the state-based initiatives that do are designed to support preschool programs – leaving a gap for children under three years old and children in long day care services that don't operate a preschool program.

Australia's school education system has adopted the Schooling Resource Standard, which includes equity loadings based on student and community characteristics, yet the same considerations are not applied widely to early education.¹³ There is a gap in the ECEC system for a national model that could enhance ECEC services in low-socioeconomic communities.

This paper introduces 'ECEC Plus', a potential model of enhanced ECEC, designed to better support children experiencing early childhood disadvantage and their families. ECEC Plus fits within a spectrum of supports above standard ECEC. Because it is designed to build on the existing ECEC system, it can be delivered in more locations, complementing existing models in the early childhood landscape, including specialised services offered by Aboriginal Community Controlled Organisations (ACCOs), integrated models like Early Childhood Hubs, and intensive and referral models like the Early Years Education Program.

Drawing on available evidence and practice models, the paper describes the components of the ECEC Plus model and situates it within the current policy and service landscape. It outlines the required conditions for implementation, the system infrastructure required to enable the model and explores funding settings that could enable implementation. Finally, the paper outlines considerations for further testing and development to refine and embed a national model of need-based support for enhanced ECEC.

Methodology

The paper draws on existing and theoretical models being developed, tested or implemented in Australia and overseas that focus on enabling services to better support children and families who experience early childhood disadvantage. It incorporates findings from academic literature, key government inquiries into ECEC, published and unpublished research, and interviews and a workshop with ECEC sector stakeholders. In this paper, we primarily focus discussion regarding ECEC Plus on the two most common forms of ECEC: preschool and long day care.¹⁴

¹² Department of Education (2025). *Inclusion Support Program*. Updated 30 October. <https://www.education.gov.au/early-childhood/providers/extra-support/inclusion-support-program>

¹³ Government-funded preschools are included in Schooling Resource Standard funding in jurisdictions where preschool is delivered through the school education system, including WA, ACT and SA.

¹⁴ Preschool typically refers to programs of one or two years before school of formal play-based curriculum and are funded through the Preschool Reform Agreement, operationalised by state and territory governments. Preschool is delivered from a variety of settings including standalone preschool centres, childcare centres and schools. In some states it is known as kindergarten or pre-prep. Centre-based day care typically refers to centres which care for and educate children from birth through to school age. Non-preschool portion of centre-based day care is typically funded through the Childcare Subsidy mechanism. These forms are all regulated under the National Quality Framework.

Box 2: ECEC Plus alignment to Australia's early childhood reform context

ECEC Plus builds on the momentum of Australia's early childhood reform agenda, which aims to create a more equitable and universal system. The model complements efforts to strengthen quality and equity by directing additional support to services in disadvantaged communities and addresses a remaining gap within the ECEC reform agenda.

Policy or initiative	How ECEC Plus aligns
National vision for early childhood education and care (draft)¹⁵	
The National vision was drafted by National Cabinet in 2023. The vision gives the Australian Government a mandate to ensure the universal ECEC system is fit-for-purpose for all children with diverse needs.	ECEC Plus helps deliver on this promise by directing more support into areas of need within the system. ECEC Plus aligns with this vision through: • Children and families experiencing vulnerability and disadvantage receiving the support needed • Increasing equity, ensuring services are sufficiently funded to meet different needs of children and families • Ensuring services supporting children with additional challenges are well-supported to deliver optimum quality • The ECEC workforce is professionally recognised, supported with appropriate conditions to do their job well • Governments steward a system that is nationally coherent and responsive and aligned to community needs.
Three-day guarantee	
The three-day guarantee will remove the Activity Test placed on access to the Child Care Subsidy (CCS) from January 2026.	This unlocks ECEC for children whose parents are not engaged in work or study, therefore more likely to experience early childhood disadvantage. ECEC Plus supports participation, learning and development outcomes of these children, and centres are better equipped to support their needs.
Early Education Service Delivery Price (SDP) study	
Over 2025-26, the Australian Government will develop a data-driven understanding of the reasonable costs of quality ECEC service delivery to inform future funding reforms.	ECEC Plus is aligned with SDP and also contributes to this work by identifying the additional components needed for delivering high-quality services to children experiencing early childhood disadvantage – such as enhanced staffing, leadership and management support, outreach to families, and wraparound supports. The SDP could also calculate the additional investment required for ECEC Plus in high-need communities, strengthening the case for a needs-based funding model.

¹⁵ Department of Education. (2023). *Draft National vision for early childhood education and care*. Updated 9 June. <https://www.education.gov.au/early-childhood/resources/draft-national-vision-early-childhood-education-and-care>

Action to increase preschool access and participation in the year, and two years before school	
Although varied by state and territory, there has been increased emphasis on removing cost barriers and improving access to and participation in play-based learning ('preschool') in the year before school, and in some jurisdictions two years before school.	ECEC Plus complements and fills gaps left by preschool-specific initiatives by supporting centres and children in their earlier, critical development stages – from birth to two, birth to three or birth to school age depending on the jurisdiction.
Workforce strategy and incentives	
Efforts to strengthen and better recognise and support the ECEC workforce, including pay and conditions, and better regional planning is critical to underpin ECEC and deliver on the national vision. Stability of workforce has also been recognised critical for delivering high-quality ECEC to children of all ages. The National Children's Education and Care Workforce Strategy ¹⁶ and ECEC workforce retention payment aim to progress activities under these areas.	ECEC Plus would rely on access to skilled and qualified ECEC workforce in communities with early childhood disadvantage. Existing initiatives include 15% pay rise grant for two years in CCS eligible services, and free TAFE for childcare diplomas. ECEC Plus also explores options to incentivise skilled practitioners through a focus on conditions which lead to increased job satisfaction and stability.
Community Child Care Fund (CCCF) and Community Child Care Fund – Restricted (CCCF-R)	
The CCCF and CCCF-R aim to support sustainability and accessibility of ECEC in areas where market forces don't meet demand, primarily in rural, remote, disadvantaged and Aboriginal and Torres Strait Islander communities. The Productivity Commission has recommended redeveloping these to an 'ECEC development fund', including grant funding and no-interest loans for capital, block grants for capital and operating and expanding access to a wider range of communities designated as under-served/thin markets.	ECEC Plus would complement CCCF and CCCF-R, and there will be overlap in communities and centres that are eligible. However, CCCF and CCCF-R focus on infrastructure and operational viability, while ECEC Plus focuses on enhancing ECEC centre capacity <i>above</i> standard ECEC, and would fund components not necessarily covered in CCCF and CCCF-R. Further, as some CCCF-R centres are not assessed under the NQF, there may need to be a different option for assessing CCCF-R centre eligibility for ECEC Plus.
Thriving Kids	
Thriving Kids (under development) is a proposed national system of supports for children birth to eight with mild to moderate developmental delay and autism and their families. Thriving Kids supports are intended to be lower-intensity and delivered earlier through mainstream and community services including ECEC, thereby reducing reliance on the NDIS.	Components of ECEC Plus – such as those proposed in enhanced staffing arrangements, certain areas of professional support, and engagement with families – would support ECEC centres to provide supports under Thriving Kids. However, Thriving Kids will be universal and available to all mainstream services, while ECEC Plus aims to direct needs-based support to communities with high early childhood disadvantage.
Inclusion Support Program and recommended changes	
The current Inclusion Support Program is designed to support inclusion of children with disability and other additional needs. The Productivity Commission has recommended the Inclusion Support Program be replaced by a new needs-based funding instrument (ECEC inclusion fund) that accounts for inclusion needs, broader than the current focus on disability. The proposal includes a Mainstream Inclusion Fund stream, to provide inclusion funding <i>based on the characteristics of that community</i> .	Evaluation of the Inclusion Support Program found it is primarily used to support children with a disability compared to other potential 'inclusion' needs, and that more funding is needed to adequately support this. If, adopted, the recommended ECEC inclusion fund with a Mainstream Inclusion Fund would be well-suited to fund ECEC Plus and ensure national consistency. The Productivity Commissions recommendation was made before Thriving Kids was announced. Thriving Kids aims to improve the inclusion capacity of settings such as ECEC but does not address all areas of inclusion covered under the Inclusion Support Program.

¹⁶ Education Services Australia. (2021). *Shaping our Future: Ten-year strategy to ensure a sustainable, high-quality children's education and care workforce 2022-2031*. <https://www.acecqa.gov.au/media/32611>

Box 3: Why ECEC Plus is needed in communities with early childhood disadvantage

Associations between community level disadvantage and higher developmental vulnerability are observable by age two, and inequities continue to widen throughout early childhood.¹⁷

‘Early childhood disadvantage’ describes children from communities with both high socio-economic disadvantage (Socioeconomic Indexes for Areas [SEIFA] deciles 1-4) and high levels of early childhood vulnerability (more than 10% of children developmentally vulnerable on two or more Australian Early Development Census [AEDC] domains). Social Ventures Australia’s *Targeting investment where it counts* report found 737 communities across Australia with high early childhood disadvantage, 131 of which also have low availability of ECEC supply (described as a childcare desert¹⁸). The remaining 520 communities have high levels of early childhood disadvantage, despite not being in a childcare desert. These findings underscore the need for tailored, enhanced support to current ECEC provision, so services in these communities are better equipped and supported to respond to the needs of the children and families they care for.

Analysis of early childhood disadvantage and ECEC availability can guide prioritisation of communities where ECEC Plus, Early Childhood Hubs and ACCOs could be established.

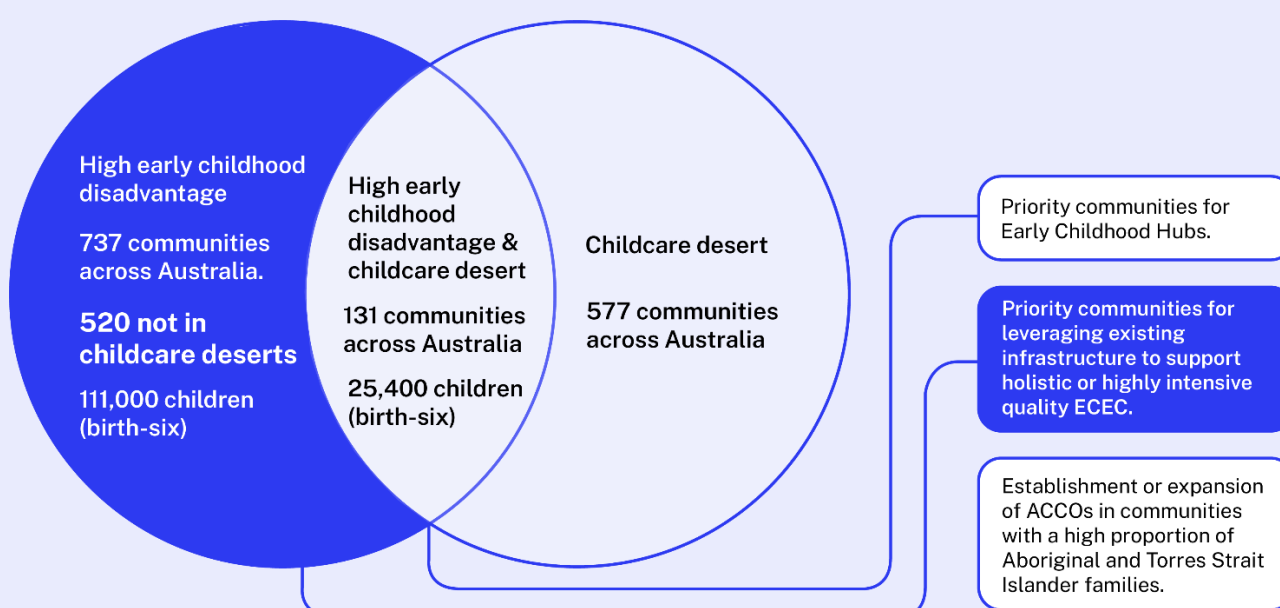


Figure 1: Community level early childhood disadvantage and ECEC availability in Australia

¹⁷ Tham, M., Leung, C., Hurley, P., Pilcher, S., & Prokofieva, M. (2025). *Unequal from the Start: the achievement gap and the early years*. Mitchell Institute, Victoria University. <https://content.vu.edu.au/sites/default/files/documents/2025-04/unequal-from-the-start-report-march-2025.pdf>

¹⁸ Areas classified as childcare deserts are those with a ratio of childcare places per child smaller than 0.333. Source: Mitchell Institute. (2024). *Mapping the childcare deserts: childcare accessibility in Australia*. <https://www.vu.edu.au/about-vu/news-events/news/mapping-the-childcare-deserts-childcare-accessibility-in-australia>

Enhanced ECEC landscape

We have explored existing enhanced ECEC programs, particularly those that focus on supporting children and families with socioeconomic disadvantage, or which include one or more of the proposed components of ECEC Plus.

A desktop review identified at least 73 services offering enhanced ECEC, consistent with the definition of ECEC Plus described in this report (see ECEC Plus overview). These centres are operating across New South Wales, Victoria, Queensland, South Australia, Tasmania and Western Australia. The majority of these services (39) operate under the Goodstart [Enhancing Children's Outcomes \(EChO\)](#) model. Goodstart are now considering a new model to improve on these services – 'Goodstart Plus'.

Another 12 centres operate under the Kids First [Early Years Education Program \(EYEP\)](#)-Kindergarten Model. There are also enhanced ECEC centres run by One Tree, as well as other providers.

The Early Years Education Program model being implemented by the Parkville Institute and the [Early Education Program \(EEP\)](#) delivered by Act for Kids are more intensive, specialised ECEC model – with specific eligibility and referral processes and components designed to support children and families with more complex needs (see Figure 3 on page 19).

Funding for these models varies, and may be enabled through cross-subsidising, income from fee-for-service activities and leveraging philanthropic or specialised government funding streams and grants.

The review also included other Australian state and territory, and international government-led ECEC initiatives with one or more components that are also included in the proposed ECEC Plus model (see Appendix 2). Some aim to enhance universal preschool delivery, either in standalone preschool services or those delivered from centre-based long day care, or demonstrate other ECEC plus components within a hub environment.

The reach and remit of these initiatives vary – with none fully aligning to the model proposed for ECEC Plus. For example, while some states and territories offer needs-based service capacity and support through preschool, the format of universal preschool is delivered differently in each jurisdiction. There are differences in hours offered, the starting age for preschool, whether preschool is part of, or separate from the school system and which priority populations are targeted. Therefore, there's no nationally consistent approach, current programs leave gaps and many centres miss out on support.

However, these programs contribute to the landscape of enhanced ECEC provision. We have taken insights from these models and identified the features and individual components that are best suited to a widely applied enhanced service – the ECEC Plus model. We also identify some additional considerations that draw on aspects of these programs.

Box 4: Goodstart Plus case study

Goodstart Plus is a place-based, enhanced model of ECEC that is designed to improve developmental and educational outcomes for children in communities experiencing entrenched disadvantage. The model integrates high-quality inclusive teaching, strong family and community partnerships, and wrap around supports to ensure children have the best possible start in life.

At the heart of Goodstart Plus is a commitment to enhanced structural quality. Centres exceed the NQS minimums by employing experienced Early Childhood Teachers (ECTs) including an early intervention and inclusion specialist, and maintaining improved educator-to-child ratios. This high-quality, inclusive teaching is supported by additional allied health professionals who work alongside educators to further enhance teaching, learning and support with a strong emphasis on building relationships with families. Teaching practices are guided by the Goodstart Outcomes Framework.

To promote regular attendance, especially among priority cohorts such as First Nations children and those from low-income families, the program offers general financial assistance that support children attending a minimum of three days per week with a strong emphasis on consistent attendance in at least the two years before school. A menu of services provides critical enablers that help children and families access and benefit from early education.

Leadership and capability development are central to the model. Centre leaders are equipped with advanced skills in pedagogical leadership, strategic planning, and trauma-informed practice. Professional development is delivered through monthly team meetings, online discussions, communities of practice for educational leaders, and customised PD for educators. Leadership team members also receive monthly individual supervision to support their growth and effectiveness.

Family and community engagement is fostered through regular meetings, curriculum workshops, and support for the home learning environment. Goodstart Plus centres also provide up to 75% of children's daily nutritional needs. On school transition, additional supports are provided to children and families where required to ensure every child has a successful transition to school.

ECEC Plus model overview

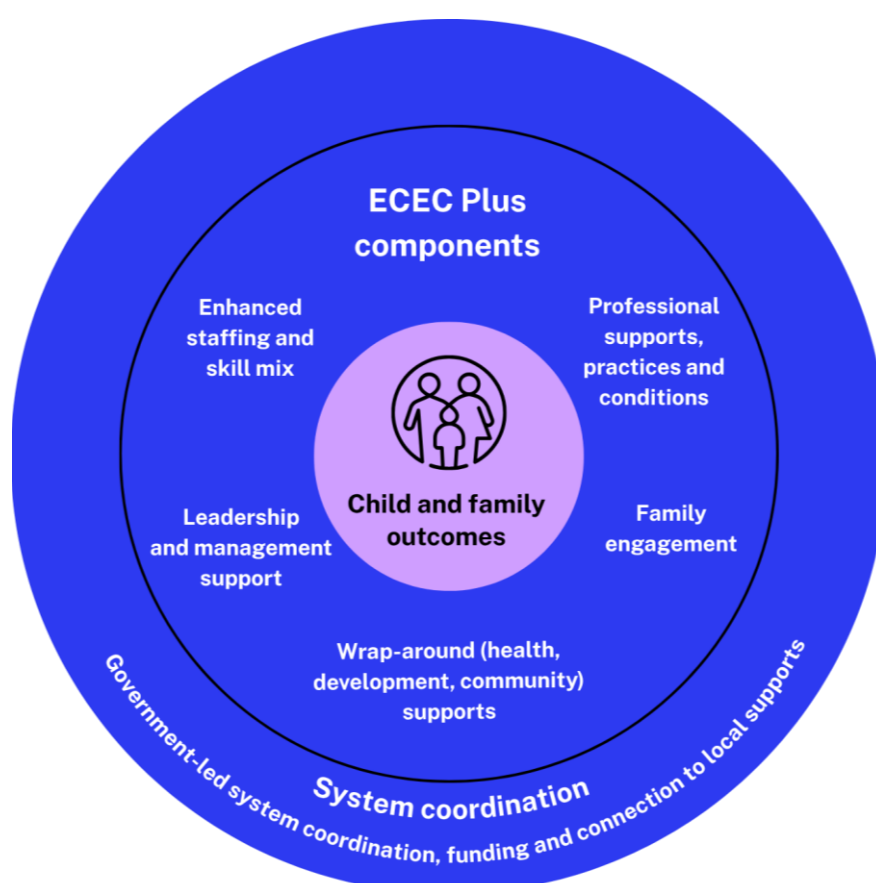
ECEC Plus describes a model of enhanced ECEC that bolsters quality and incorporates complementary components to support better educational and developmental outcomes for children experiencing socioeconomic disadvantage.

ECEC Plus aims to

1. Enhance ECEC service and staff capability to meet the needs and support the aspirations of children in communities with early childhood disadvantage.
2. Build and strengthen relationships with, and capacity of, families to support children's learning and development.

Centres operating in lower socioeconomic communities typically have fewer resources than those in more advantaged areas and are likely to have more children and families with additional support needs.^{19,20} Families in these communities also face more barriers to accessing early years supports, including ECEC.²¹

Figure 2: Overview of ECEC Plus components and system enablers



¹⁹ Uniting NSW ACT (2025). *More than Money: Why some children are still left behind by early learning*. <https://www.uniting.org/blog-newsroom/research-publications/Articles/white-paper-more-than-money>

²⁰ Uniting NSW ACT (2025). *More than Money: Why some children are still left behind by early learning*. <https://www.uniting.org/blog-newsroom/research-publications/Articles/white-paper-more-than-money>

²¹ Tang, A., Rankin, P., Staton, S., & Thorpe, K. (2024). Access to high-quality early care and education: Analysis of Australia's national integrated data. *Early Childhood Research Quarterly*, 67, 352–362. <https://doi.org/10.1016/j.ecresq.2024.02.001>

The proposed ECEC Plus model includes service-level supports and enabling conditions to:

- increase staffing ratio and skill mix above minimum standard
- embed professional learning, reflection and supervision
- enhance centre leadership capacity and skills
- provide outreach to families
- partner with other early childhood development services and supports such as allied health, or social supports, to enhance staff skills and practices and direct support to children and families.

Research shows that when centres have the right conditions for quality, they are better able to reduce development and learning inequities²², suggesting that a proven focus on quality is an essential prerequisite for operating an enhanced ECEC model. A focus on high-quality, play-based early learning is at the foundation of ECEC for every child and this should also be at the core of ECEC Plus.

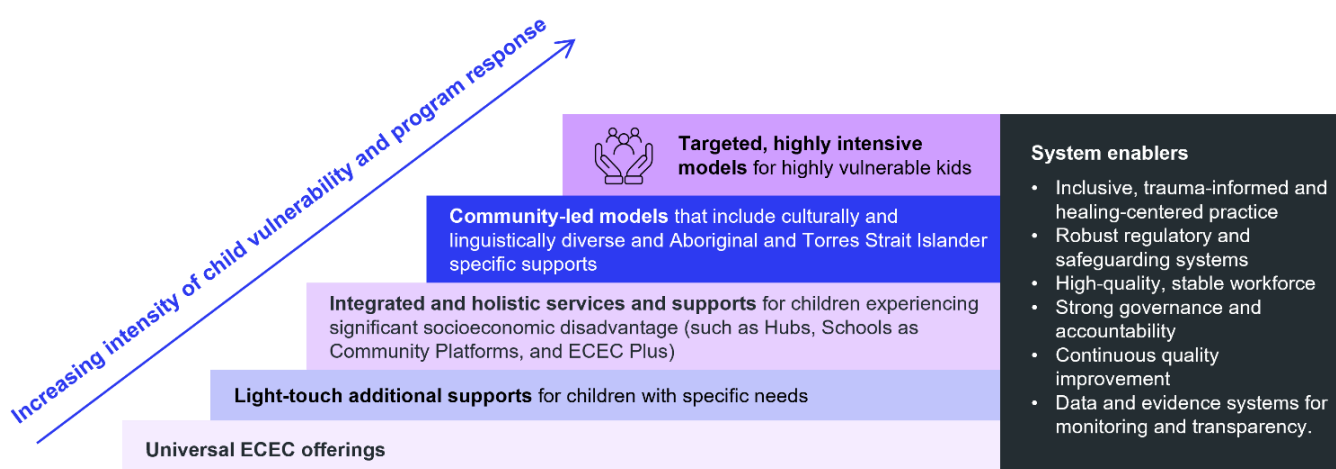
While ECEC Plus includes enhanced staffing and interdisciplinary collaboration, the model does not intend to shift ECEC toward therapeutic or intervention-focused approaches. It should strengthen educators' capacity to respond to children's needs through intentional, developmentally appropriate pedagogy. Strong pedagogical leadership is required to maintain educational integrity and ensure that support strategies complement play-based, relational teaching and learning.

²² Rankin, P, Staton, S, Jones, A, Potia, AH, Houen, S, Healey, B & Thorpe, K. (2024). *Linking quality and early childhood education and care: Technical report*. Australian Education and Research Organisation. <https://www.edresearch.edu.au/research/technical-reports/linking-quality-and-child-development-early-childhood-education-and-care>

ECEC Plus system structures

The ECEC Plus model requires supportive system structures to offer guidance and support to tailor the model to local contexts, and coordinate monitoring and iteration with government. Embedding ECEC Plus within broader system structures enables peer learning, sharing of practices and strategies for supporting children and strengthens the overall capacity of the ECEC system to respond effectively to diverse populations.²³ It also supports connection with other initiatives such as Thriving Kids, enabling government oversight of where supports are being directed, and how components such as professional support can be delivered in a complementary way.

Figure 3: Different early childhood services models are needed to effectively support children and families' diverse needs



ECEC Plus builds on the existing universal ECEC system by directing additional resources to services supporting children and families who are facing early childhood disadvantage, consistent with a proportionate universalism approach.

ECEC Plus is one model within this approach, where intensity of program is proportionate to need (Figure 3). ECEC Plus sits within this spectrum – between standard ECEC and more intensive models such as the Early Years Education Program model being implemented by the Parkville Institute. Together, these models create a more balanced, equitable ECEC system.

ECEC Plus offers some of the benefits of Early Childhood Hubs – such as wrap-around supports and family engagement – enabling these benefits to be offered to more children in more communities, including locations where a full-service hub model is not feasible. This could be either complementing the services of existing hubs or offering enhanced support in locations where hubs aren't possible or appropriate – supporting the goal of building quality throughout early years systems, particularly in communities experiencing socioeconomic disadvantage.

²³ Cloney, D., Cleveland, G., Hattie, J., & Tayler, C. (2016). Variations in the availability and quality of early childhood education and care by socioeconomic status of neighborhoods. *Early Education and Development*, 27(3), 384–401. <https://doi.org/10.1080/10409289.2015.1076674>

Box 5: How ECEC Plus fits alongside Early Childhood Hubs

Early Childhood Hubs are service and social hubs where children and families can access key services and connect with other families. They can take the form of a centre that provides access to a range of child and family services, including delivery of early learning programs,²⁴ maternal and child health and family support programs. The ECEC Plus model does not replace these. It is not reasonable or necessary to deliver Hubs or other intensive models in every single ECEC centre in all disadvantaged communities.

ECEC Plus can be:

- delivered in a standalone ECEC centre as an alternative to a full Early Childhood Hub in locations where it isn't feasible or there is less need to deliver a fully integrated model of early childhood systems, or
- delivered from a preschool or centre-based care centre operating within an Early Childhood Hub environment.

In communities that have an effective Early Childhood Hub, a 'hub and spoke' model could be considered. In this model, the Early Childhood Hub may be the main provider of wrap-around supports to children, families and staff in the ECEC Plus service sites within the nearby area. Some ECEC Plus components overlap with services that may be delivered from an Early Childhood Hub in the same community such as the family outreach and wrap around components. In these cases, ECEC Plus centres and Early Childhood Hubs could collaborate on how best to manage and integrate these components to meet community needs.

ECEC Plus is not designed or sufficient for children with significant family distress and who require highly intensive models. ECEC Plus also does not replace the need for highly effective, community-led models such as those delivered by Aboriginal Community Controlled Organisations. All these models are essential for a well-designed, equitable ECEC system.

²⁴ Early learning programs may include playgroups or other forms of ECEC.

ECEC Plus principles

These principles are provided to guide decisions on the design and implementation of ECEC Plus:

Quality: Decisions about which centres will participate, and which components should be adopted, and how activities are implemented should be guided by a principle of ensuring ECEC Plus builds on, and enables high-quality, play-based ECEC to support child learning and development. This may include support to high-capability services.

Partnerships with families: Partnership with families is a central goal of ECEC Plus. Centres must include activities that extend beyond support for the child and work in partnership with families to create shared strategies to create a strong learning environment for children at home and in ECEC.

Equity: ECEC Plus funding should be distributed in line with the goal of reducing inequities for children with early childhood disadvantage.

ECEC Plus component details

1. Enhanced staffing arrangements

Higher staff-to-child ratios and higher educator qualifications are linked to improved cognitive, language and social-emotional outcomes for children who are experiencing disadvantage.²⁵ The Productivity Commission also found current staffing models do not adequately support children with higher development and learning needs.²⁶ While there is no conclusive evidence on optimal ratios in different contexts, ECEC Plus provides an opportunity to trial different approaches to enhanced staffing arrangements. Additionally, research shows that staff above ratios allows for higher quality educator-child interactions.²⁷

ECEC Plus centres would receive funding to tailor staffing arrangements to meet the needs of children and families. This may include employing additional staff above ratios, extending staff hours, or hiring staff with qualifications above the current minimum standard. Centres would be supported to consider children's development and learning needs balanced against the importance of space for independent play and relationships. Additional staff or extended hours can increase time available for time out of the classroom for activities including planning, professional development and continuous improvement roles funded through ECEC Plus and embedded within the centre could include:

- practice leadership (e.g. pedagogy, educational leadership and child development expertise)
- cultural leadership
- professional support (e.g. coaching for staff)
- community-focused roles drawing on broader qualifications or experience.

²⁵ Melhuish, E., Ereky-Stevens, K., Petrogiannis, K., Ariescu, A., Penderi, E., Rentzou, K., Tawell, A., Slot, P., Broekhuizen, M., & Leseman, P. (2015). *A review of research on the effects of early childhood Education and Care (ECEC) upon child development*. Curriculum Quality Analysis and Impact Review of European Early Childhood Education and Care (ECEC). https://www.researchgate.net/publication/291970194_A_review_of_research_on_the_effects_of_early_childhood_Education_and_Care_ECEC_upon_child_development_CARE_project

²⁶ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*. <https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

²⁷ Sims, M., & Waniganayake, M. (2015). The role of staff in quality improvement in early childhood. *Journal of Education and Training Studies*, 3(5). <https://doi.org/10.11114/jets.v3i5.942>

Initiatives to attract and retain staff, through competitive wages, study opportunities or relocation incentives should also be offered. Where broader workforce initiatives exist, ECEC Plus centres could be prioritised to participate.

2. Professional support, practices and conditions

A high-quality, stable ECEC workforce is essential to the success of universal early learning experiences for all children. This means fair pay and good working conditions to enable personal and professional growth and job satisfaction. Staff in all roles should be supported to complete all activities needed to do their job well, including paid time for planning and meetings, reflection and learning, and supported by appropriate supervision.

To meet additional needs in communities with high early childhood disadvantage, ECEC Plus centres require well-qualified staff with a mix of skills suited to the needs of local children and families. Access to supervision and time for planning and collaboration can also improve educator retention and the delivery of quality education, especially in high-need contexts.^{28,29}

High-quality early years pedagogy and pedagogical leadership is also critical. Service practices and curriculum should ensure rich, responsive interactions to drive children's learning and wellbeing. Investing in pedagogical leadership helps ensure enhanced supports complement play-based, child-led learning.

ECEC Plus centres require access to a structured framework of professional supports for centre staff beyond the expected provision in all centres, and tailored to the needs of the community. This includes:

- additional wellbeing and retention support
- high quality professional development, tailored to the needs of community, e.g. trauma-informed practice, working with families experiencing poverty
- professional supervision, mentoring and coaching
- supported planning and quality improvement time
- upskilling staff to identify developmental concerns, offer tailored support and/or appropriate referrals
- time to work with multi-disciplinary partners who are supporting children and families within the centre (this is expanded in the wrap-around supports component)
- designing ECEC Plus centre practices in collaboration with wrap-around support providers to tailor to children's development and learning needs.

Funding could support staff with critical skills – such as cultural knowledge, trauma -informed practice, skills critical to support family engagement and/or other specialist expertise. Knowledge on learning, teaching, curriculum and assessment are essential skills in all ECEC, however sector reports suggest there are workforce skill gaps. Therefore, ECEC Plus could include an intentional focus on ensuring these skills are developed in ECEC Plus centres.

²⁸ The Front Project. (2025). *The hidden lever: How pay and conditions support child outcomes in low SES early childhood education and care services*. <https://www.thefrontproject.org.au/policy-and-research/research/383-pay-conditions-and-quality-ecec>

²⁹ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*. <https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

Professional support should be paid, embedded into routine service practice and available to all staff. ECEC Plus centres in remote communities may face additional costs (e.g. travel costs of staff or training providers) and barriers (e.g. lack of backfill options to release staff) which should be considered in designing support.

Initiatives to attract and retain staff, through competitive wages, study opportunities or relocation incentives should also be offered. Where broader workforce initiatives exist, ECEC Plus centres could be prioritised to participate.

3. Leadership and management support

ECEC Plus centres need strong leadership and management to ensure they are well-managed and suitably equipped to support their staff and the higher needs of the children and families they are supporting.

They require best-practice, theoretically informed, leadership capability development programs, and resourcing for digital tools (e.g. data-driven leadership and quality improvement, financial and resource management support, governance and risk compliance).

ECEC Plus leaders also require additional elements that are specific to the needs of their local community, which may include frameworks to work with multi-disciplinary partners, for example in integrated early childhood hub models, specialised context-specific leadership programs for Aboriginal and Torres Strait Islander leaders, multicultural leaders and those in rural and remote areas. These should be delivered through formal programs and complemented with mentoring and peer learning.

4. Family engagement

Children experiencing early childhood disadvantage face more barriers to ECEC participation, and consequently participate less in ECEC than their peers. These barriers includes policy barriers (e.g. ECEC availability, Child Care Subsidy Activity Test), ECEC and non-ECEC costs (e.g. food, travel, clothing), higher exposure to stressors and poorer access to home and community resources (e.g. nutrition, literacy, services) that identify and deliver the supports needed for development and learning.

While the principle of ‘partnership with families’ is relevant to all components of ECEC Plus, the family engagement component puts this principle into practice. Family engagement should be strategically planned to build positive, trusting and supportive partnerships between providers and families. ECEC Plus centres would focus on involving families in their children’s learning and development journey, and work with families to support children’s participation in the ECEC service. This component also includes outreach to establish relationships with families whose children are not enrolled in, or not regularly attending, an ECEC service.

ECEC Plus family engagement activities may include:

- working with families to identify needs, barriers and develop support strategies
- altered programming
- material supports or transport
- access to fee waivers
- support with Centrelink to access the Child Care Subsidy/Additional Child Care Subsidy
- food and nutrition programs.

Box 6: Relationship to existing or proposed outreach initiatives

Some state and territory governments support outreach through existing initiatives (examples below). Other service providers may also be performing outreach activities outside government funding. ECEC Plus should coordinate with, and build from, these to minimise duplication and the risk of burdening families.

Queensland: The Queensland Government:

- funds 36 **early childhood coordinators** in priority communities to improve access by families experiencing disadvantage to early childhood education health and development services for children aged 0-8
- provides access to funding for outreach for 50 Early Years Places (Early Childhood Hubs)

Victoria: The Victorian Department of Education:

- funds **Koorie Engagement Support Officers** in some communities to support Aboriginal and Torres Strait Islander children to participate in kindergarten
- in partnership with the Municipal Association of Victoria, funds **Culturally and Linguistically Diverse outreach workers** in 25 municipalities to address barriers to three and four year-old preschool access.

Northern Territory: The Northern Territory Department of Education funds Families as First Teachers initiative in more than 50 communities, to develop place-based programs to engage families and communities in remote, very remote and select urban locations for children aged 0-4.

New South Wales: The New South Wales Department of Education funds Start Strong, which includes outreach and family partnership activities including:

- support for **SDN children's services**, who provide support for preschool enrolment and developing family preschool plans
- together with Paul Ramsay Foundation, support for **Uniting Links to Learning, including Early Learning Linkers** in three communities for preschool aged children.

Other: The **Productivity Commission** recommends trialling 'system navigators' to support families who face complex barriers to navigating and accessing ECEC through the Inclusion Support Program, which would include a funding pool to address practical access barriers, e.g. ECEC bonds, clothing etc).

5. Wrap-around health, development and family supports

ECEC Plus centres may facilitate access to other relevant services and programs as needed, including direct support to children and families. This component would aim to build and strengthen relationships between ECEC Plus centres and other service providers to better coordinate and streamline services working with children and families, and reduce the number of different adults attending the centre. Where possible, the same providers should be engaged in the professional development component, to enable child-centred approaches and ensure consistent, centre-wide learning and development strategies.

A menu of supports similar to Victoria's School Readiness Funding approach could be an effective way of promoting high-quality supports (see Box 7).

Box 7: Victoria's School Readiness Funding menu of supports

Through [School Readiness Funding](#), Victorian preschools choose from a curated menu of supports, which includes programs delivered by approved providers such as child psychologists, speech pathologists, occupational therapists and mental health consultants; as well as broader initiatives and programs to support trauma-informed practice, social and emotional learning and parenting programs. The aim is to build both child-specific and educator-focused capability.

School Readiness Funding may also be pooled across eligible services where appropriate, for example to allow clusters of kindergarten staff to participate in professional development together or work with the same service provider in a local area.

A 2022 evaluation of the School Readiness Funding³⁰ found the menu helped services target their efforts, and connected them with appropriate and approachable providers. Recommended improvements included needing clearer information in the menu about the service coverage of supports, and willingness to travel to the local area.

South Australia has developed a similar initiative, [Preschool Boost Menu](#), launched in 2025.

³⁰ Victorian Department of Education and Training (2022). *School Readiness Funding: future directions*. https://www.education.vic.gov.au/Documents/childhood/providers/funding/SRF_ReformDirections_MinisterStitt_Statement_2022.pdf

System infrastructure for ECEC Plus

ECEC Plus requires robust system infrastructure to ensure the model is sufficiently responsive to the local context and connects services with system-level support. This includes a coordination function *within* states and territories, aligned to the most relevant regional-level structures for ECEC, e.g. departments of education regional offices or offices for early childhood local support teams or other relevant and capable services such as large not-for-profit service providers. Ideally these should be embedded within existing structures within the jurisdiction to ensure alignment with existing workforce planning and learning networks.

A regional coordination function is required to support and guide ECEC Plus centres. The activities of this function should be flexible and relevant to the need of the centre and could include assistance to identify centre needs and tailor access, form partnerships and help navigate and integrate locally available initiatives and supports, while maintaining structured connection with government and systems oversight. More support might be necessary for smaller service providers and standalone or committee-managed centres, compared to larger service providers with capacity to offer some of these supports. Decisions about which components are required should be made collaboratively between the ECEC Plus centre, the regional coordination function supporting them, and local families.

This function would work directly with ECEC Plus centres to assess and plan for enhanced staffing arrangements – drawing on regional workforce strategies and incentives or coordinating with training providers. It would support services to embed professional development into everyday practice, identify relevant supports aligned with service needs and help to connect with existing offering, such as local sector capacity building programs. For centres in ‘stream 2: ECEC Plus readiness’, this support could focus on the specific capacity gaps and components needed to build readiness toward full ECEC Plus.

Where needed, the function can bring together clusters of services into networks for peer learning (or support inclusion within existing networks), to share insights about high quality service provision to other practitioners, and back to government and service managers. Clustering across ECEC Plus centres would also allow opportunities to pool funding and collaborate on local initiatives or shared problem solving. Where ECEC Plus involves wrap-around supports or outreach to families, regional coordination could support relationships to connect with relevant initiatives in the local area, and identify regional gaps and barriers and reduce duplication.

The function would involve streamlining communication between centres and government departments. This would also include surfacing implementation challenges or service gaps and reporting back to government.

Role of government

Stewardship via intergovernmental collaboration

ECEC Plus sits across various levels of government responsibility – with long day care led by Australian Government, and preschool led by states and territories. This means that ECEC Plus depends on shared stewardship between jurisdictions to identify shared goals and support implementation. To ensure a consistent and equitable approach, the Australian Government should lead national coordination and align broader reforms – such as the SDP and Thriving Kids initiative.

States and territory governments would be responsible for operationalising ECEC Plus regionally, working through existing education channels, supporting coordination with state-run services (e.g. preschool and health services) and initiatives, and enabling place-based partnership agreements, ensuring access meets community needs.

A capable delivery ecosystem would be an important government investment to sustain ECEC Plus centres. This includes maintaining a vetted pool of high-quality support providers, producing exemplar tools for services (such as sample position descriptions or staffing models) and funding workforce and leadership development where gaps exist. Robust regulatory systems must underpin these efforts, ensuring children's safety and wellbeing are central to implementation.

Monitoring, evaluation and system learning should be embedded and funded as part of the model. This will enable continuous improvement, alignment with national reforms, and assurance that ECEC Plus is achieving equitable outcomes for the children and families.

Funding

A dedicated supply-side funding mechanism administered by the Australian Government would enable optimal delivery of ECEC Plus. This would provide additional, ongoing funding to eligible services seeking to become ECEC Plus centres, separate from the Child Care Subsidy and other existing streams.

This funding needs to be sustainable, flexible, and responsive to community needs. Centres could be permitted to pool funds, for example, to share professional development support in centres working in the same area – where collective benefit is demonstrated. Administrative burden should be minimised by aligning timelines, and reporting planning processes with existing funding programs.

A detailed cost analysis is required to inform funding design. The Commonwealth should assess the expected costs of each ECEC Plus component, drawing from current initiatives such as the SDP and the NSW Independent Market Monitoring Review. This analysis should consider contextual factors affecting delivery cost – including remoteness, workforce availability, travel and accommodation, and service size – and explore potential equity loadings for centres in areas with high early childhood disadvantage.

Test, learn and evaluate

ECEC Plus should be introduced through a structured test-and-learn approach. Pilot programs across diverse communities would help identify which components effectively strengthen service quality and improve outcomes for children.

Evaluation should be embedded from the outset which can help capture both implementation insights and impacts on child and family outcomes. These findings can directly inform refinement of the model and future funding reforms, including the SDP and broader needs-based ECEC funding. Evaluation also needs to continue beyond pilot phases to ensure the model remains adaptive and evidence-based to continue to improve educational equity across Australia.

Identifying ECEC Plus centres

ECEC Plus is designed to enhance high-quality ECECs in communities with high early childhood disadvantage. To determine eligibility, the Australian Government should offer two tiers of ECEC Plus.

Stream 1: Full ECEC Plus is for centres that are high-quality and are well-placed to enhance ECEC service delivery with the additional capacity provided through ECEC Plus.

Stream 2: ECEC Plus readiness is for centres that are good quality (at least meeting) and meet community need, centre fit and community fit criteria. In this stream, ECEC Plus resources should be focussed on components that could be reasonably expected to improve quality within an agreed timeframe by aligning ECEC Plus resources toward these areas – for example attraction and development of qualified staff. For example, centres could be considered if workforce issues are limiting their quality rating, and could reasonably demonstrate ECEC Plus readiness would provide necessary financial resources to attract and retain appropriately qualified staff. Centres that complete this stream would be transitioned to Full ECEC Plus after the agreed timeframe, if the centre and government agree they are ready to do so.

Selection criteria for ECEC Plus needs to consider community need, quality, centre fit and community fit.

ECEC Plus eligibility criteria

	Eligibility criteria	Why this is important
Community need	Centres in communities (SA2) that: have SEIFA deciles 1-4 <i>and</i> have more than 10% of children developmentally vulnerable on 2 or more AEDC domains.	Children in communities with high early childhood disadvantage face learning and development inequities.
Quality	Stream 1: Centres that are rated at least 'exceeding or excellent' on the NQS.	An NQS rating of 'exceeding' is the threshold for most effectively reducing developmental vulnerability through ECEC. ³¹
	Stream 2: Consideration of centres with an overall rating of 'meeting', and meet community need, service fit and community fit criteria.	Communities with high early childhood disadvantage often have fewer centres rated exceeding and face external factors that limit opportunities to achieve a high quality rating.
Centre fit	Centres demonstrate suitability to deliver enhanced ECEC through: leadership commitment, readiness, and familiarity supporting families experiencing disadvantage. Centres should also demonstrate that they are unable to fund ECEC Plus components from within own resources.	Leadership and service readiness increase feasibility for additional resourcing to translate into improved outcomes for children and families.
Community fit	Centres demonstrate suitability to meet community need including: endorsement by community leadership or representative groups, community trust, cultural safety, strategic employment and upskilling local or bilingual staff. This should include assessment of available, eligible and capable centres, a review of other available services and ensure ECEC Plus does not threaten viability of existing services.	Initiatives shaped with community input are more responsive to local needs and better positioned to build on strengths.

³¹ Rankin, P., Staton, S., Jones, A., Potia, A.H., Houen, S., Healey, B., & Thorpe, K. (2024). *Linking quality and early childhood education and care: Technical report*. Australian Education and Research Organisation. <https://www.edresearch.edu.au/research/technical-reports/linking-quality-and-child-development-early-childhood-education-and-care>

The government could identify eligible services meeting 'quality' and 'community need' criteria and invite expressions of interest to determine 'centre fit', parallel to completing a community assessment and engagement process to determine 'community fit'.

The following should also be considered in developing criteria and selection process for ECEC Plus centres.

Support stable workforces – Workforce stability is an important contributor to high-quality practice and in forming strong, trusting relationships with families. However, factors outside the services control have an impact on workforce stability, for example, in regional areas with a smaller workforce pool. In these cases, there may need to be alternative approaches to building toward workforce stability rather than excluding centres on this basis. This could include predictive measures – such as staff satisfaction and good conditions, combined with adopting 'workforce stability' as a goal, drawing on the enhanced workforce component and regional coordination support and monitoring the effectiveness over time.

Identifying available places – High-quality ECEC centres may be operating under capacity in some areas (have available places for children), particularly in locations where families face barriers to ECEC participation. The government should explore how enrolments are distributed in priority communities, and whether ECEC Plus could facilitate increased participation in high-quality ECEC by children who would benefit.

Supporting Aboriginal Community Controlled Organisation (ACCO) ECEC viability – Particular consideration should be given to ensuring ACCO services, or other community-preferred models, are receiving sufficient funding and operating at an appropriate capacity to ensure quality is sufficient to improve outcomes, including cultural outcomes before decisions about enhancing other ECEC services.

Additional considerations

There is broader need for quality improvement support for ECEC services

In recognition of the challenging nature of supporting children and families with higher needs, we have positioned ECEC Plus to primarily focus on services that already demonstrate high quality, or the capability to achieve high-quality ECEC as a foundation for ECEC Plus.

However, all children deserve to access high-quality ECEC, and this is particularly important for children with early childhood disadvantage to reduce learning and development inequities. ECEC quality is often poorer in communities with high early childhood disadvantage. For example, analysis of ACECQA data³² highlights that 3,089 (25%) of all services are rated exceeding or excellent, but this reduces to 835 (20%) in communities with higher socioeconomic disadvantage.

The Productivity Commission³³ and respondents to inquiries into ECEC quality and safety highlight: a need for continuous improvement support to ECEC services, and increased structural (resourcing), process (pedagogy), inclusion and cultural safety elements that underpin service quality.

ECEC Plus complements the broader family and child support systems

ECEC Plus should be viewed as one model in a wider system of support for children and families experiencing disadvantage. While high-quality ECEC can make a difference in reducing developmental vulnerability, it cannot address all the issues that families face including poverty, housing insecurity, food stress and health inequities. ECEC Plus complements, but does not replace broader efforts across health, social services, housing and poverty alleviation. Government should consider mechanisms to embed collaboration across these systems, such as joint commissioning, referral pathways and shared data frameworks.

Reform context

ECEC Plus should be considered within planned and proposed changes to ECEC and other early childhood service funding and delivery (see Box 2 at the start of this report).

Current funding through the CCCF and CCCF-R primarily focuses on supporting service viability, including capital and operational costs in disadvantaged areas. However, ECEC Plus focuses on ensuring centres in communities with high early childhood disadvantage receive enhanced support – over the minimum required for viability. ECEC Plus does not include a built infrastructure component.

The Productivity Commission has recommended changing the Inclusion Support Program to an ECEC development fund, with a ‘mainstream inclusion fund’. If this recommendation is adopted, this is a possible funding mechanism for ECEC Plus.

³² SVA analysis of ACECQA data at September 2025.

³³ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*. <https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

Child participation

There is good evidence for the benefits of 15 hours per week ECEC, for three years before full time school, for children from priority populations, demonstrating that earlier, quality intervention makes a difference. The evidence for ideal ECEC participation levels of younger children (i.e. newborns to two year olds) is less conclusive, and government should consider how ECEC Plus sets participation expectations. This includes working through the potential benefits (e.g. establishing routines with families, strengthened relationships with staff and children) and risks (e.g. risk of excluding children who would not benefit from additional participation, implications for maximising centre places) of setting minimum participation for children, particularly under two years of age.

Family engagement

There are examples of enhanced outcomes when services focus on a whole family relationship. ECEC Plus centres should include a focus on building trusting, non-judgemental relationships with the families, supporting positive attendance routines and providing opportunities to engage with families and children together. This may include engagement in informal or community settings such as playgroups, particularly initially.

Box 8: Enhanced ECEC, participation and family engagement in other models

Goodstart Early Learning is working toward minimum attendance patterns for children attending 'Goodstart Plus' centres to enable consistency of teaching, learning and support. It is implementing attendance measures to ensure children from birth to five attend consistently at least three days per week and stay for at least the two years before school. Families are provided support to meet these attendance patterns through general financial assistance.

The Early Years Education Program (EYEP) model being implemented by the Parkville Institute is an intensive multi-disciplinary ECEC model for children facing significant distress. It involves participation for five hours a day, five days a week for all children of starting ages ranging from six months to three years. All elements of the EYEP – from orientation to transitions – are theoretically informed and planned with the family and child at the heart. The EYEP model includes a parent partnership approach that acknowledges and capacity-builds families as their children's first and most enduring educator. A senior Family Practice Consultant is a core member of the leadership team and works closely with families to successfully support their child's participation as well as family engagement with community supports and resources. This is particularly significant for families who have personal difficulties or past history of feeling excluded and judged by services. Program evidence shows this intensive relationship-based approach results in significant outcomes in children's learning, development and wellbeing.³⁴

³⁴ Melhuish, E., Ereky-Stevens, K., Petrogiannis, K., Ariescu, A., Penderi, E., Rentzou, K., Tawell, A., Slot, P., Broekhuizen, M., & Leseman, P. (2015). *A review of research on the effects of early childhood Education and Care (ECEC) upon child development*. Curriculum Quality Analysis and Impact Review of European Early Childhood Education and Care (ECEC). https://www.researchgate.net/publication/291970194_A_review_of_research_on_the_effects_of_early_childhood_Education_and_Care_ECEC_upon_child_development_CARE_project

Minimising duplication

While there is currently no national model for enhanced ECEC to address early childhood disadvantage, there are some initiatives, in some locations with overlapping or complementary aims. There are also examples of providers independently delivering enhanced services without government funding.

Government should ensure ECEC Plus:

- aligns with existing programs to avoid duplication, confusion for families or administrative challenges in accessing timely support
- builds on lessons learned from evaluations of initiatives such as the Inclusions Support Program, Community Child Care Fund and jurisdiction-based programs (see Appendix 1), including what works in targeting early childhood disadvantage, supporting inclusion and sustaining service viability.
- establishes clear funding rules to ensure services that already deliver enhancements are not disadvantaged.

Implementation sequence

The model for ECEC Plus described in this paper could be introduced in 2026 to trial the elements and implementation model, for full introduction from 2027. This would allow the Australian Government to test critical components alongside key reform activities, including the Service Delivery Price project, and consideration of changes to the ECEC funding model.

In the long term, this should include ECEC Plus as a streamlined needs-based funding model that consolidates existing fragmented programs and enables flexible use of resources aligned to the evidence base for improving outcomes for children experiencing early childhood disadvantage.

Conclusion

The development of an ECEC Plus model presents a significant opportunity to better support children and families with early childhood disadvantage. It addresses a significant gap in the current ECEC landscape for a needs-based approach to support improved outcomes for these children. While the evidence for the benefits of high-quality ECEC is strong, particularly in the years before school, these benefits will only be fully realised if programs are deliberately designed to address the needs and contexts of families and children experiencing early childhood disadvantage. ECEC Plus must build on the foundations of existing services, enhance play-based practice with a focus on quality, and be delivered in partnership with families and communities.

Family engagement and trust will be critical to success. For many children, consistent attendance will depend on services working closely with families to overcome barriers and establish supportive, long-term relationships. This requires government to recognise family partnership as an essential feature of enhanced ECEC, not an optional add-on.

Adequate and flexible funding is essential to set ECEC Plus centres up for success.

National consistency will also be important. Without careful alignment with existing initiatives and investments, there is a risk of duplication, inequity, and fragmentation. An enhanced model should complement the broader early childhood and family support system, working across government portfolios and with community services to ensure children receive the right mix of supports at the right time.

Finally, any enhanced model should be tested and refined through trials before national rollout. A phased approach will allow government to monitor outcomes for children and families, assess cost-effectiveness, and adapt the model in response to community feedback. With the right design, and a commitment to quality, equity and partnerships, ECEC Plus can become a critical part of a fairer early learning system for children.

Appendices

Appendix 1 – Summary insights from desktop review

Relationship of socio-economic disadvantage to educational outcomes in the early years

Socioeconomic circumstances are shown to result in learning differences between birth and three years, highlighting the importance of high-quality services and family supports being made available to children under three years old.³⁵

Inequities continue to widen through preschool and into school, with a clear social gradient based on socioeconomic status of communities evident through Australia Early Learning Development Census (AEDC) findings.³⁶ Among children living in the most disadvantaged communities, 34.5% are developmentally vulnerable on one or more domains, and 20.3% are vulnerable on two or more domains. In contrast, among children in the most advantaged communities, vulnerability is just 16.2% and 7.6% respectively.

Evidence finds children living in socioeconomic disadvantage benefit from a younger starting age in ECEC, three years before full-time school (i.e. before three years old),^{37,38}

However, children in low socioeconomic circumstances are less likely to attend ECEC than their peers, and when they do attend, are less likely to access high-quality services. In 2024, 22.1% children from low-income families attended ECEC (out of 25.7% low-income families in the community) and 17.9% of children from low socioeconomic areas attended preschool³⁹ (out of 19.2% children who live in low socioeconomic areas). Uniting NSW.ACT found communities with higher child social exclusion and disadvantage had less access to high-quality services, rated as 'exceeding' or 'excellent' compared to more advantaged communities.⁴⁰

These may include:

- lower participation due to barriers associated with ECEC costs, for example exclusion from subsidised ECEC due to the Activity Test and less able to afford ECEC, families accruing ECEC debts e.g. exceeding allowable absence policy⁴¹

³⁵ Tham, M., Leung, C., Hurley, P., Pilcher, S., & Prokofieva, M., (2025). *Unequal from the Start: the achievement gap and the early years*. Mitchell Institute, Victoria University. <https://content.vu.edu.au/sites/default/files/documents/2025-04/unequal-from-the-start-report-march-2025.pdf>

³⁶ Australian Government Department Education. (2025). *Australian Early Development Census National Report 2024*. <https://www.aedc.gov.au/resources/detail/2024-aedc-national-report>

³⁷ Molloy C., Quinn, P., Harrop C., Perini N., & Goldfeld S. (2019). *Restacking the Odds – Communication Summary: Early childhood education and care: An evidence-based review of indicators to assess quality, quantity, and participation*. https://www.rsto.org.au/media/ec0dcgkj/restacking-the-odds_ecec_communication-summary_early_childhood.pdf

³⁸ Schmutz, R. (2024). Is universal early childhood education and care an equalizer? A systematic review and meta-analysis of evidence. *Research in Social Stratification and Mobility*, 89, 100859. <https://doi.org/10.1016/j.rssm.2023.100859>

³⁹ Productivity Commission. (2025). *Report on government services 2025 - Child care, education and training Part B*. Canberra. <https://www.pc.gov.au/ongoing/report-on-government-services/2025/child-care-education-and-training/>

⁴⁰ Uniting NSW ACT. (2025). *High quality early learning deserts: a spatial analysis of supply and enrolment*. <https://www.uniting.org/content/dam/uniting/documents/community-impact/research-and-innovation/2024/whitepaper-quality-early-learning-deserts.pdf>

⁴¹ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*. <https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

- lower participation due to barriers associated with non-ECEC costs for example, travel, required materials, clothing/nappies, food, addressing health needs, care for other children, housing instability or changes in living situations^{42,43}
- facing more early development challenges due to fewer home or community resources that support development, such as experiencing delayed identification of development and learning concerns due to less access to health supports, or poorer access to developmentally appropriate play
- facing early development impacts from stressors in early life, such as stress in home environment or poor nutrition due to food insecurity.

As a result, children with early childhood disadvantage are likely to need more support to engage and get the same benefits from ECEC compared to children who don't face these same barriers.

Evidence for enhanced ECEC provision

Early childhood researchers and providers have begun exploring relationships between ECEC quality to children's outcomes. This includes 'quality' as defined by the National Quality Framework, and other activities and models designed to improve outcomes for communities and families with higher disadvantage.

Research highlights some quality areas have a higher influence on outcomes for children, particularly those with disadvantage. Higher ratings in quality areas 1 'educational program and practice', and 5 'relationships with children' highlighted in two studies,^{44,45} and areas 3 'physical environment' and 4 'staffing arrangements' each highlighted in one study as being associated with children's outcomes.

The conditions which support services to achieve high quality ratings in these areas has also been explored. Higher skills and qualifications of teachers and educators,^{46,47} process quality (how educators plan and interact)⁴⁸ and practices including intentional teaching that foster children's curiosity, agency and engagement in place-based learning environments.

The Productivity Commission explored available evidence on optimal staff-to-child ratios, finding more evidence was needed, particularly on what works in different scenarios and to support children

⁴² Beatson, R., Molloy, C., Fehlberg, Z., Perini, N., Harrop, C., & Goldfeld, S. (2022). Early childhood education participation: A mixed-methods study of parent and provider perceived barriers and facilitators. *Journal of Child and Family Studies*, 31(10), 2929–2946. <https://doi.org/10.1007/s10826-022-02274-5>

⁴³ Uniting NSW ACT. (2025). *More than Money: Why some children are still left behind by early learning*. <https://www.uniting.org/blog-newsroom/research-publications/Articles/white-paper-more-than-money>

⁴⁴ Rankin, P., Staton, S., Jones, A., Potia, A.H., Houen, S., Healey, B., & Thorpe, K. (2024). *Linking quality and early childhood education and care: Technical report*, Australian Education and Research Organisation. <https://www.edresearch.edu.au/research/technical-reports/linking-quality-and-child-development-early-childhood-education-and-care>

⁴⁵ Molloy, C., Quinn, P., Harrop, C., Perini, N., & Goldfeld, S. (2019). *Restacking the Odds – Communication Summary: Early childhood education and care: An evidence-based review of indicators to assess quality, quantity, and participation*. https://www.rsto.org.au/media/ec0dcgkj/restacking-the-odds_ecec_communication-summary_early_childhood.pdf

⁴⁶ Gibson, M., Press, F., Harrison, L., Wong, S., Cumming, T., Ryan, S., Crisp, K., Richardson, S., Gibbs, L., Cooke, M., & Brown, J. (2023). *Shining a light on early childhood educators' work: A report from the Australian study Exemplary Early Childhood Educators at Work: A multi-level investigation*. Queensland University of Technology. <https://eprints.qut.edu.au/241514/>

⁴⁷ Organisation for Economic Co-operation and Development. (2018). *Engaging young children: Lessons from research about quality in early childhood education and care*. OECD Publishing. <https://www.oecd.org/education/engaging-young-children-9789264085145-en.htm>

⁴⁸ Cloney, D., Cleveland, G., Hattie, J., & Tayler, C. (2016). Variations in the availability and quality of early childhood education and care by socioeconomic status of neighborhoods. *Early Education and Development*, 27(3), 384–401. <https://doi.org/10.1080/10409289.2015.1076674>

with higher needs.⁴⁹ Other studies have highlighted that reflective practice, child development practices and responsive interactions are all crucial for children's outcomes.⁵⁰

Summary insights from existing programs

We reviewed existing initiatives that include one or more components of enhanced ECEC provision, or components similar to those proposed for ECEC Plus. Evaluations and inquiries relating to these programs provide lessons and insights relevant to ECEC Plus.

Multiple funding streams create administrative burdens – ECEC services draw from multiple funding sources to improve capacity to support children. These have different criteria, timelines, application and reporting processes – requiring staff time that could be used more effectively in other ways.

Longer funding timelines can reduce administrative burdens – Victoria's School Readiness Funding (SRF) program allows funding to be planned over two-year cycles, extended from one, reducing the frequency of planning while also increasing flexibility of how funds can be distributed

Governments can support efficiency and quality by identifying supported providers – The SRF and South Australia's Preschool Boost programs feature a curated menu of supports, where government identifies professional and child development support programs. The SRF evaluation found ECEC services valued the menu of supports and were satisfied with the quality of support offered by providers.

Eligibility criteria for needs-based funding varies, leading to children missing out – Although some government-funded initiatives designed to target socioeconomic inequities exist, these are fragmented and vary by jurisdiction, service type and age group. The type and amount of support and funding for ECEC also varies by model, with the Australian Government providing the Child Care Subsidy and some grant programs to long day care and family day care, while states and territories oversee preschool. Notably, programs for children under the age of three (i.e. younger than preschool age) are generally not available. The Australian Government's Inclusion Support Program is primarily used to support children with additional needs and disability, with limited focus on children experiencing socio-economic disadvantage.⁵¹

Early childhood disadvantage is not consistently defined, resulting in poor understanding of need and inability to compare models – Methods used to estimate prevalence of early childhood disadvantage in government and sector reporting also vary, including differences between preschool and Child Care Subsidy-eligible forms of ECEC. We also reviewed methods used by five Australian initiatives distributing needs-based funding to enhance ECEC to identify and calculate early childhood disadvantage, finding each used a unique definition, method and calculation of funding. Differences included: use of individual, family, or community level disadvantage (or a composite), variations in thresholds for community disadvantage and whether parent education or children's development and learning indicators were included.

Relationships with families are important for children's outcomes – Canada's StrongStart BC focussed on building family partnerships prior to preschool entry, through drop-in programs offering support to develop children's early literacy and play-based learning and building families' strategies

⁴⁹ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*.

<https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

⁵⁰ Cloney, D., Cleveland, G., Hattie, J., & Tayler, C. (2016). Variations in the availability and quality of early childhood education and care by socioeconomic status of neighborhoods. *Early Education and Development*, 27(3), 384–401.

<https://doi.org/10.1080/10409289.2015.1076674>

⁵¹ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*.

<https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

and providing resources to support literacy from infancy onward. StrongStart was found to increase carers engagement in children's learning and development, and increased literacy for 95% of participating children.

Pedagogical leadership and commitment to play-based learning are foundational for all ECEC – Ensuring that enhanced supports are guided by a coherent educational philosophy that prioritises children's agency, play, and relationships. Research consistently shows that the quality of educator-child interactions has a greater impact on developmental and learning outcomes than structural factors such as ratios or qualifications alone.⁵² Mechanisms to strengthen reflective practice, professional collaboration, and educational leadership can reinforce these in practice.

Equitable ECEC means tailoring the service to meet differing needs of children and families –The Productivity Commission highlights that 'universal' does not mean uniform.⁵³ The Organisation for Economic Co-operation (OECD) recommends combining universal and targeted approaches in ECEC policy – a mix that ensures broad reach while focusing on the most disadvantaged.⁵⁴ These recommendations include targeted investment in quality, such as specialised staff or smaller group sizes (ratios) which have been shown to improve development and learning outcomes.

⁵² Tayler, C., Cloney, D., Cleveland, G., Adams, R., & Thorpe, K. (2016). *The E4Kids study: Assessing the effectiveness of Australian early childhood education and care programs*. <https://figshare.unimelb.edu.au/ndownloader/files/8232497>

⁵³ Productivity Commission. (2024). *A path to universal early childhood education and care: inquiry final report*. <https://www.pc.gov.au/media-speeches/media-releases/2024/a-path-to-universal-early-childhood-education-and-care>

⁵⁴ OECD. (2025). *Reducing inequalities by investing in early childhood education and care: Key messages from Starting Strong VIII*, OECD Publishing. https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/01/reducing-inequalities-by-investing-in-early-childhood-education-and-care_a0fd3f31/b78f8b25-en.pdf

Appendix 2 – Summary of ECEC initiatives with enhanced components

Program name, purpose	Priority areas and eligibility	Early childhood disadvantage prioritised?	Enhanced ECEC components supported				
			Enhanced staffing arrangements	Professional support and conditions	Leadership support	Wrap-around supports	Outreach and family engagement
Federal initiatives							
Inclusion support program – needs-based funding for inclusion	CCS Centres - children with additional needs	N	Y	Y	N	Y	N
ACT initiatives							
Early Childhood Community Coordinators – Increase ECEC participation	Preschool aged children	Y	N	N	N	N	Y
Early Years Engagement Officers – Connect families with Koori Preschools, schools and Child and Family Centres	Aboriginal and Torres Strait Islander children, children at risk of developmental delay	N	N	Y	N	N	Y
Set up for success ACT – phased approach to universal 3-year-old preschool	HILDA	Y	N	N	N	N	N
Preschool Pathways Partners – team that works with educators to support preschool transition	Children transitioning to 4-year-old preschool	N	N	Y	N	N	Y
New South Wales initiatives							
Start Strong for Community Preschool – funding for affordable quality preschool education	3- and 4-year-old preschools	Y	Y	Y	N	N	Y
Start Strong for Long Day Care – incentivises enrolments of 600 hours per year	4-year-old long day care	Y	N	Y	N	N	Y
Start Strong Pathways – Increases preschool participation, including fee relief	3-year-olds in preschool	Y	Y	Y	Y	N	Y
Boosting preschool attendance grants –increases preschool access through outreach, access to preschool cultural safety and inclusion	Centres offering preschool	Y	N	Y	N	N	Y
Northern Territory initiatives							
Long day care subsidies – reduce the cost of Long Day Care services for families	All children in Long Day Care	N	Y	Y	N	N	N
Free preschool in very remote areas	Children in remote areas from 3 years	Y	Y	Y	N	N	N
Queensland initiatives							
Early Years Places – Early Childhood Hubs	Children from 0-8 years of age living in select communities	Y	N	Y	N	Y	Y
Kindy Uplift – funding to support teacher and educator capability	Selected locations. Children in participating kindergartens.	N	N	Y	Y	N	Y
KindyLinq – play-based early learning program before preschool	3-year-olds	N	Y	Y	N	N	Y

South Australia initiatives							
Co-designing strategies to increase Aboriginal and Torres Strait Islander, and disadvantaged children participation	Aboriginal children	Y	N	Y	N	N	Y
Integrated Hubs – offer a preschool program together with other health, wellbeing and education offerings in one place	Families in high needs communities	Y	Y	Y	Y	Y	Y
Tasmania initiatives							
Early Childhood Inclusion Service (ECIS) – state-wide service that supports families to access ECEC programs and supports in their community	Children aged 0-6 years with disability or developmental delay	Y	Y	Y	Y	Y	N
AEDC Tasmanian Project – grants for communities to respond to AEDC vulnerability	Communities with high developmental vulnerability	Y	N	Y	Y	Y	Y
Victoria initiatives							
School Readiness Funding (SRF) Victoria – needs-based funding for preschools for communication, wellbeing and access, inclusion and participation activities	Victorian preschools, low-SES and educational disadvantage	Y	Y	Y	N	Y	Y
CALD outreach initiative – increases preschool participation and connect to external supports	CALD families in select LGAs	Y	Y	Y	N	Y	Y
Access to Early Learning (AEL) – an early intervention program to support access to ECEC	3-year-old children from families with complex needs	Y	N	Y	Y	Y	Y
Non-government initiatives							
Our Place – integrates education, health, and support services within schools	Children and families in participating communities	Y	Y	Y	Y	Y	Y
Goodstart Plus – integrates early childhood education with health and other supports with high-quality inclusive ECEC at its core	Communities with entrenched disadvantage	Y	N	Y	Y	Y	Y

Appendix 3 – Recommendations relating to enhanced ECEC and funding

Economic Inclusion Advisory Committee report 2025

The EIAC highlighted the importance of ECEC for children and families who face disadvantage and made policy recommendations including; removal of the CCS activity test, making universal ECEC a policy priority with a focus on children experiencing disadvantage, in remote areas and Aboriginal or Torres Strait Islander children, calling for interim funding mechanisms that support inclusion for these children and building toward a comprehensive early childhood development framework.

To achieve this, the Committee has proposed various strategies, such as: Local Level: Integrated service models, shared community infrastructure, and multi-system planning. Agency/Portfolio Level: Integration incentives, common workforce development approaches. System Level: Quality standards, intergovernmental agreements, and whole of-government planning.

Productivity Commission into ECEC

The Australian Government commissioned the Productivity Commission inquiry into ECEC to explore and recommend opportunities to build a universal ECEC system, looking at dimensions of equity, affordability, access, quality, workforce and efficient investment.

In its final report, the Productivity Commission made findings and recommendations relevant to ECEC Plus, which recognise the impact that high-quality has on children with early childhood disadvantage, recommendations to improve service quality and workforce capacity, immediate term adjustments to the Inclusion Support Program to increase funding in line with disadvantage, and longer-term change to the ECEC funding model which include needs-based funding. The relevant sections, findings and recommendations are outlined below.

Ratios

The Productivity Commission explored available research on the impact of ratios for child outcomes but found there was not a sufficient evidence base to determine optional educator-to-child ratios and qualifications in universal ECEC. However, in its review of the Inclusions Support Program, it found current funding was insufficient to meet higher workforce needs for children experiencing disadvantage.

Finding 1.2 There is more to learn about how ECEC programs can best improve children's outcomes.

‘Children have benefited from programs with a wide range of features, including those with different operating models, starting ages and number of weekly hours attended. Realising the potential of ECEC for childhood development requires a better understanding of how program features affect children's outcomes.

Factors that contribute to the quality of ECEC services can be difficult to disentangle using available measures of process or structural quality. A better understanding is needed of how children's outcomes will be affected by efforts to improve these measures, including regulated features of services such as staffing requirements.’

Finding 2.6 Inclusion support funding is not distributed in line with developmental vulnerability

“Results from the Australian Early Development Census (AEDC) show stark differences in the proportions of children with developmental delay by socioeconomic status (SES). In 2021, just over 33% of children in the least advantaged quintile were developmentally vulnerable on one or more of the AEDC domains, in comparison with just under 15% of children in the highest SES quintile.

But the proportion of services receiving Inclusion Support Program funding varies little by the socioeconomic status of communities. Children who would most benefit from an inclusive ECEC experience are more likely to be missing out on additional support.

A distribution of inclusion support funding more in line with the distribution of developmentally vulnerable children in communities would be expected in an inclusive system.”

This ‘might also reflect the fact that services in areas of lower socioeconomic status charge lower fees (paper 6), meaning they are less able to cross-subsidise the costs of hiring an additional educator as the subsidy does not fully cover the wages paid and hours worked by additional educators (discussed below), and delays in subsidy receipt.’

Finding 9.4: An enhanced and expanded needs-based funding approach would more effectively contribute to achieving inclusion

The Inclusion Support Program only meets some of the inclusion needs of children and families using ECEC. The ISP primarily provides support to services to meet the needs of individual children, particularly those with diagnosed disability. There is insufficient funding to meet broader needs of children attending ECEC, including, for example, to support children affected by trauma to participate, ease practical barriers to access and improve cultural safety.

An enhanced and expanded needs-based funding approach would address the needs of children with diagnosed needs and those whose additional needs are evident but not diagnosed. It would support services to reach out to families and to connect with the other services that support them and their children.

An appropriately funded, enhanced and expanded needs-based program would be more likely to contribute to all children being supported to succeed, regardless of their circumstances and abilities.

Recommendation 2.3 Adopt an enhanced and expanded needs-based inclusion funding instrument

By 2028, the Australian Government should develop and implement a new needs-based Early Childhood Education and Care Inclusion Fund (Inclusion Fund). The fund should have three streams.

Children with high support needs should be supported through a stream similar to the Inclusion Development Fund, but with the enhancements suggested in recommendation 2.2 (Disability and Complex Needs Inclusion Stream).

Broader inclusion needs within the community of children and families supported by services should be funded based on the characteristics of that community (Mainstream Inclusion Stream). A program should be established to enable services to apply for support for upgrades to physical facilities to ensure all children can be included, irrespective of their abilities (Inclusion Fund Grant Stream).

Finding 9.1 Proposed reforms would increase the quantum and proportion of government funding

The Commission's recommended reforms to alleviate affordability barriers, enable a significant expansion of ECEC availability and move to a comprehensive needs-based inclusion funding instrument would significantly increase the quantum and proportion of government funding of the ECEC sector.

This is in addition to increases in funding likely to occur as a result of any government funding to support wage increases as a result of the Fair Work Commission processes currently underway and state and territory governments' continued preschool reform.

Recommendation 9.1 ECEC funding mechanisms should be designed around clear principles

The Australian, state and territory governments should adopt a set of principles to guide decision-making about ECEC funding instruments. These principles should comprise equity, affordability, quality, accessibility, simplicity, efficiency and integrity.

Key funding model design principles	
Application to funding instrument design	
Equity (or inclusivity)	Funding instruments should be needs-based, targeted and carefully designed to ensure that services are inclusive of children and families with additional needs.
Affordability	Funding instruments should be designed such that they take account of capacity to pay, are not regressive in nature and prioritise support to families facing higher affordability barriers. The funding approach adopted should be sustainable.
Quality	The funding architecture should incentivise appropriate quality provision that meets the quality standards. In practice, the means that overall funding should be adequate to cover the costs of providing required quality and that providers face incentives to deliver it. Funding should be indexed to ensure it keeps pace with cost increases.
Accessibility (or availability)	Funding should incentivise investment to provide services that meet communities' needs.
Simplicity	The funding system should not create barriers to access for families. Instruments should be designed in a way that shields families from unnecessary complexity and administrative processes or requirements.
Efficiency	The most efficient funding system results in the highest net benefit to the community. Funding instruments should be designed to achieve: • productive efficiency, by encouraging providers to deliver ECEC services at the desired quality at the least possible cost • allocative efficiency, promoting an ECEC sector that maximises net benefits for the community • dynamic efficiency, by encouraging innovation and efficient investment
Integrity	Funds allocated to the ECEC sector should only be directed toward efficiently and effectively achieving governments' objectives. Any funding instrument should be designed to enable accountability and transparency mechanisms to be cost-effectively incorporated into its design.

Appendix 4: Selected examples of methodologies to calculate disadvantage in ECEC

Methods used to calculate socio-educational disadvantage vary. Methods accounting for **individual child and family circumstances** may include parent education, occupation and household income, and methods accounting for **service and community circumstances** may look at SEIFA, geographic location and remoteness.

Most programs use a combination of individual (child-level) and service or community level indicators to calculate needs-based funding entitlement.

Report on Government Services RoGs – Early Childhood Education and Care

Why disadvantage is measured: To assess how well ECEC systems reach equity target groups and inform government policy. Not directly linked to funding allocation.

How disadvantage is calculated:

- Child and family indicators
 - Aboriginal and Torres Strait Islander children
 - Children from non-English speaking backgrounds
 - Children with disability
 - Children from low-income families (childcare only).
- Community/location indicators
 - Children living in regional and remote areas
 - Children in low socioeconomic areas defined as residing in SEIFA 1 quintile (preschool only).

Schooling Resource Standard (SRS) – all Australia government schools, and preschools in government schools.

Why disadvantage is measured: To ensure schools with students facing greater barriers receive additional resources by providing equity loadings on top of base funding.

How disadvantage is calculated:

- Student and family indicators
 - Aboriginal and Torres Strait Islander students
 - Students with disability
 - Low English proficiency
 - Socio-educational disadvantage based on parent education and occupation data.
- School/community indicators
 - School size
 - School remoteness (ARIA/Modified Monash Model).

School Readiness Funding (SRF) – Victoria

Purpose: To address educational disadvantage in kindergarten (preschool) by building capacity of educators and families to respond to children's learning needs.

Why disadvantage is measured: To allocate additional funding to services with higher concentration of children at risk of developmental vulnerability. Funding can be used by services to address needs under communication, wellbeing and access, inclusion and participation categories for service capacity building or child/family support.

How disadvantage is calculated:

- Composite index per child enrolled, based on
 - SEIFA decile (scaled loading for all deciles)
 - Parent education level
 - Parent occupation.

Indicators are weighted and aggregated into a service-level weighted Disadvantage Score. Services are assigned to one of three SRF funding tiers based on the average composite score of all children by Victorian Department of Education using preschool enrolment data for three and four-year-olds.

Set up for success – Australian Capital Territory

Program purpose: To progressively introduce universal access to three-year-old preschool from 2020, with a targeted approach.

Why disadvantage is measured: To prioritise implementation in communities with the greatest need during the phased rollout.

How disadvantage is calculated:

- Household-level indicators, drawn from the HILDA survey (e.g. family income and parental education).

SEIFA was intentionally not used, due to limitations in capturing household variation within areas.

Start Strong for Community Preschool Program Payment – New South Wales

Program purpose: To support community preschools to deliver 600 hours of affordable early learning for children aged 3-5.

Why disadvantage is measured: To target funding to services that enrol children who face barriers to access and participation.

How disadvantage is calculated:

- Child and family indicators
 - Aboriginal and Torres Strait Islander children
 - Low English proficiency
 - Children with disability or additional needs
 - Children from low-income families (indicated by primary carer holding a valid Health Care Card or equivalent).
- Service/community indicators
 - SEIFA decile (location of service, scaled for SEIFA deciles 1-6, with no loading for 7-10)
 - ARIA+ (remoteness)
 - enrolments per hours enrolled.

Funding is delivered as base funding plus loadings based on hours enrolled and child-level characteristics outlined above.

Start Strong for Long Day Care – New South Wales

Program purpose: To support long day care services to deliver preschool program for children in the two years before school.

Why disadvantage is measured: To incentivise participation of priority populations and support quality improvement activities in services.

How disadvantage is calculated:

Four-year-olds, loadings based on:

- Aboriginal and Torres Strait Islander children
- SEIFA (service location, scaled for SEIFA deciles 1-6 with no loading for 7-10)

Three-year-olds – currently trialling the same approach.

Targeting investment where it counts – Social Ventures Australia

Purpose: To guide infrastructure investment decisions for early learning facilities in communities with persistent disadvantage.

Why disadvantage is measured: To identify priority areas for capital investment and long-term service planning

How disadvantage was calculated:

SA2 locations that meet both:

- SEIFA deciles 1-4
- Where over 10% of children are developmentally vulnerable on two or more AEDC domains.⁵⁵

This model is intended for policy advocacy and planning, not direct service funding.

⁵⁵ Social Ventures Australia (SVA), Deloitte Access Economics & Mitchell Institute, Victoria University (2025). *Targeting investment where it counts: identifying communities for priority investment in integrated early learning models.* <https://www.socialventures.org.au/our-impact/targeting-investment-where-it-counts/>



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