



New South Wales

Special Commission of Inquiry into Healthcare Funding

Submission Number: 94
Name: Minderoo Foundation
Date Received: 2/11/2023

SUBMISSION TO THE SPECIAL COMMISSION OF INQUIRY INTO HEALTHCARE FUNDING

2 NOVEMBER 2023



INTRODUCTION

The New South Wales Government has called a Special Commission of Inquiry into Healthcare Funding. It will conduct a review of the funding of health services in NSW. It will inquire into:

- the existing governance and accountability structure of NSW Health.
- the way NSW Health funds health services delivered in public hospitals and community settings.
- strategies available to address escalating costs, limit wastage and identify areas of improvement in financial management.

This Submission addresses the following Terms of Reference:

- *A. The funding of health services provided in NSW and how the funding can most effectively support the safe delivery of high quality, timely, equitable, and accessible patient-centered care, and health services to the people of NSW, now and into the future.*
- *D. Strategies available to NSW Health to address escalating costs, limit wastage, minimise overservicing and identify gaps or areas of improvement in financial management and proposed recommendations to enhance accountability and efficiency.*
- *I. Any other matter reasonably incidental to a matter referred to in paragraphs A to H, or which the Commissioner believes is reasonably relevant to the inquiry.*

This submission provides general comments in response to these Terms of Reference, rather than direct responses for each Terms of Reference.

THE IMPORTANCE OF INVESTING IN EARLY CHILDHOOD DEVELOPMENT TO PREVENT LATER HEALTH COSTS.

The evidence is clear that a child's earliest experiences establish foundations for life. In their first years, children form more than one million new neural connections every second as they learn the skills that make for healthy, happy adults. Evidence shows that children who have high-quality early childhood development experiences are more likely to enjoy healthier development, thrive throughout schooling, be employed, earn higher wages as adults and raise happier families themselves¹.

¹ Harvard Center for the Developing Child. From Best Practices to Breakthrough Impacts. https://harvardcenter.wpenginpowered.com/wp-content/uploads/2016/05/From_Best_Practices_to_Breakthrough_Impacts-4.pdf

The Harvard Center on the Developing Child highlights the key facts from research about the importance of the early years for a person's health²:

- The experiences we have early in life are at least as important for the biological foundations of physical and mental health as the lifestyle choices we make as adults.
- What happens early—prenatally and in the first couple of years—makes us more likely or less likely to develop future physical and mental health problems.
- Poor health outcomes are not inevitable after experiencing adversity early in life, but they are more likely if we do not adequately support children and families experiencing persistent hardships or challenges.
- All policies and delivery systems serving young children and families across sectors can support both early learning and the foundations of lifelong health.

They summarise by stating: “The rapidly advancing frontiers of 21st-century biological sciences now provide compelling evidence that the foundations of lifelong health are also built early, with increasing evidence of the importance of the prenatal period and first few years after birth. The science is clear on two points:

- What happens during this period [prenatal and early years] can have substantial effects on both short- and long-term outcomes in learning, behaviour, and both physical and mental health.
- All these domains are remarkably interdependent and the potential for learning is inexorably linked to the quality of physical and mental health.”

This scientific evidence clearly demonstrates that the Special Commission of Inquiry into Healthcare Funding must make recommendations for investing in early childhood development to avoid future long-term costs to the health system.

The Perrottet New South Wales Government introduced the Early Years Commitment to enhance the educational and developmental outcomes of children. It committed to unprecedented spending to provide all 4-year-olds with access to 30 hours of preschool (up from 15 hours) and improved access to 3-year-old Preschool.

The Minns Government supported the Perrottet Government's spending and focus on early childhood services and has committed to building 100 new early childhood education centres next to primary schools in NSW to “create an oasis of learning where there are early learning deserts.”³ Premier Chris Minns has also said the Labor Government would accelerate universal pre-kindergarten to four-year-olds, promising to bring forward the commitment from 2030 to 2026.

These are welcome advances that will enhance the development of children and improve support for families. However, they are largely focused on Early Childhood Education and Care (childcare and preschool), rather than the broader early childhood development system (which includes Maternal and Child Health).

Minderoo Foundation's Thrive by Five campaign has been advocating for a universally-accessible, high-quality early child development system for Australia. This would include all services and supports provided specifically to young children and families, including early childhood education and care, maternal and child health, paid parental leave, and other services that exist within communities, such as playgroups and First Nations services.

² Harvard Center for the Developing Child – <https://developingchild.harvard.edu/resources/connecting-the-brain-to-the-rest-of-the-body-early-childhood-development-and-lifelong-health-are-deeply-intertwined/>

³ Media Release - <https://www.nsw.gov.au/media-releases/100-new-public-preschools>

The reason for advocating for an 'early childhood development system' was well described by the recent Report of the South Australian Royal Commission into Early Childhood Education and Care, which stated:

- Improving outcomes for South Australian children requires a holistic approach across the entire early child development system.
- There are five key elements in a successful early child development system: prenatal care and maternal and child health care (including home visiting); paid parental leave; parenting supports; early childhood education and care; and wrap-around health and social services to support families with greater needs.
- Within South Australia, as elsewhere in the nation, the Commission found evidence that these systems operate as a patchwork of poorly connected government and non-government services.
- That an integrated high-quality early childhood development was necessary to improve the development (including health) and learning status of children⁴.

Further to this, The Centre for Policy Development provided a vision for a universally-accessible, high-quality early childhood development system in its report *Starting Better- A Guarantee for Young Children and Families*. This report recommends an early childhood 'guarantee' that all children and their families should receive that would underpin a universally-accessible, high quality early childhood development system. It states that:

- Australian children are supported through this crucial early development phase in many essential ways, including through access to universal healthcare, paid parental leave, a national framework that underpins the quality of early childhood education and care, minimum standards for child and maternal health services, and a shared government commitment to universal access to one year of preschool for every four-year-old. These are solid foundations to build on, but they are not sufficient in scale, quality, or coherence to give children the best possible start in life at a price that families can afford.
- [What is required is a high-quality early childhood development system] ... that connects all parts of the ECD system from the day a child is born until the early years of primary school. This important grouping of [services and] supports builds the foundation for success at school, helps develop neurological and cognitive building blocks, and builds confidence, social engagement, agency, and the capability to live a flourishing life.

Starting Better recommends that the foundations of an early childhood development system be services and supports that are guaranteed for all Australian children and families (Early Childhood Guarantee):

- more paid parental leave, shared between partners.
- universal access to maternal and child health with additional home visits for families needing extra support.
- three days (up to 30 hours) of free or low-cost high-quality early childhood education and care per week as soon as families want it, including three days (up to 30 hours) of free or low-cost high-quality preschool per week for the two years before children start school.
- a wraparound "navigator" service for families who need extra help to find and access suitable support, as part of integrated whole-of-family early childhood service delivery.
- developing better mechanisms to provide seamless support for children from the day they are born, including more effective transitions from early learning to primary school⁵.

⁴ Report of Royal Commission into Early Childhood Education and Care. South Australian Government. Page 32. 2023

⁵ Starting Better: A Guarantee for Young Children and Families. Centre for Policy Development. 2021 Page 1

The Guarantee recognises no single service can give children and families everything that they need in the early years of life, and that all services must work together with the shared goal of a better start and better outcomes for children.

For the NSW Health system to address escalating costs and maximise the well-being of people in NSW, Health NSW must work with other key agencies to develop and implement a universal, high-quality, early child development system accessible to all families, with more support available for those that need it.

Recommendation:

- **The New South Wales Government enhances and integrates existing early childhood services and supports to create a universal, high-quality, early child development system accessible to all families.**

INVESTING IN MATERNAL AND CHILD HEALTH AND CHILD DEVELOPMENT SERVICES

As described above, Australian children are supported through this crucial early development phase in many essential ways, including through access to universal healthcare, paid parental leave, child and maternal health services, and a preschool for every four-year-old⁶.

Maternal and Child Health and Child Development services are critical for the development of children in New South Wales. They are the first services that most parents and children have contact with, identify children that may have developmental delays and have the capacity to intervene early in the trajectory of development and health issues that can manifest later in life.

The well-being of parents (primary caregivers) is essential to children's wellbeing⁷. Many Australian parents and caregivers experience high levels of parental stress and postnatal distress, as well as feelings of unpreparedness and a lack of confidence in their parenting skills⁸. Maternal and child-family health services offered universally are uniquely placed to support parents⁹.

Maternal and Child Health services are critical for early intervention. Early intervention improves the lives of children and strengthens our communities, while reducing pressure on government budgets, enabling more efficient and effective spending, and boosting workforce skills and capabilities. Early support for children and young people makes a significant difference in children's lives¹⁰.

There is clear evidence of the benefit of Maternal and Child Health services. For example, evidence shows that from a child's conception, quality nurse home visiting programs provide effective support to families experiencing adversity, and that comprehensive and culturally appropriate services deliver better outcomes for children. This is particularly important to prevent people that may experience chronic health problems, that impact their lives and are difficult and expensive to address.

As stated above, *Starting Better* recommends that all Australian families are guaranteed access to Maternal and Child Health services. Whilst universal child and health services are available in NSW, they are not

⁶ Starting Better: A Guarantee for Young Children and Families. Centre for Policy Development. 2021

⁷ Council of Australian Governments. Investing in the Early Years National Early Childhood Development Strategy: An initiative of the Council of Australian Governments. Canberra: Commonwealth of Australia; 2009.

⁸ Axford N, Barlow J. The science within: What matters for child outcomes in the early years. Darlington: Social Research Unit; 2013

⁹ Australian Health Ministers' Advisory Council. National Framework for Universal Child and Family Health Services: Vision, objectives, and Principles for Universal Child and family health services for all Australian children aged zero to eight years: Australian Government Department Health/Ageing; 2011.

¹⁰ How Australia can invest in children and return more. Telethon Kids Institute. 2018

accessed by all families. These services require investment and reform so that the percentage of families using these services is increased.

The vision of the *Starting Better* Guarantee is that all Australian children will have access to universal Maternal and Child Health services and that these services. They recommend a set number of child health checks for all families and more for families that need it. Minderoo Foundation supports these recommendations.

Recommendations:

- **All families can access 10 to 25 checks based on their child's health and development needs (including regular immunisation visits, advice, and referral), with additional capacity delivered either through home visits or an Maternal and Child Health services clinic. Although most families will not need all 25 checks, expanded clinic, and home visit capacity would give families more flexibility and better access to services. This phase could also include expanded allied health capacity (Child Development Services) to capture additional referrals, and better links to other services such as parents' groups and playgroups.**
- **Vulnerable families are offered up to 25 Maternal and Child Health services checks in the first four years of their child's life depending on their needs, delivered through nurse home visits in combination with their regular immunisation schedule and check-ups with their local GP. This would ensure that vulnerable families do not slip through the cracks, and that families in lower socioeconomic areas or remote regions do not miss out.**

Minderoo Foundation applauds the commitment by the NSW Government to roll out free health and development checks for four-year-old children at preschools and long day care services¹¹. This is a timely and welcome initiative. However, Minderoo would recommend that NSW Health make developmental checks available for 0–3-year-olds in all long day care and family day care services.

Recommendation.

- **Free health and development checks are made available for 0–3-year-old children at preschools and long daycare services.**

ENGAGEMENT WITH THE SPECIAL COMMISSION OF INQUIRY

For further information, please contact Jay Weatherill, Minderoo Foundation Director of Development, at 

ABOUT MINDEROO FOUNDATION

Minderoo Foundation takes on tough, persistent issues with the potential to drive massive change. We incubate ideas, advocate for systems change and accelerate impact. We push the limits of what is believed possible. Minderoo Foundation is proudly Australian, independent, forward-thinking and seeks effective, scalable solutions. Through bold, collaborative, and selfless action, we seek to dismantle the systems that entrench inequality and fight for a fairer future.

¹¹ Health and development checks in early childhood services. <https://www.health.nsw.gov.au/ececchecks>

ABOUT THRIVE BY FIVE

Thrive by Five is a campaign by the Minderoo Foundation, advocating to transform Australia's early learning and childcare system into a comprehensive, high-quality, universally accessible and affordable early learning system. It is led by Jay Weatherill AO, former Premier of South Australia.