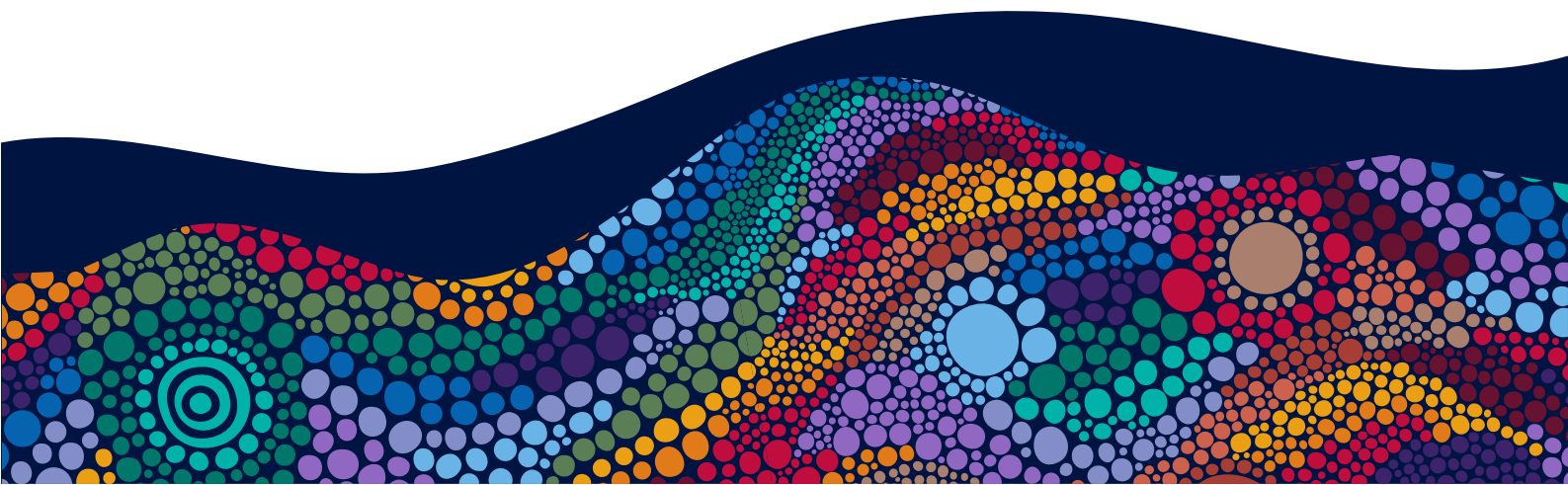


State of Australia's early childhood education and care system in rural, regional and remote communities

Submission to the Senate Standing
Committees on Education and Employment

September 2026



About NACCHO

NACCHO is the national peak body representing 150 Aboriginal Community Controlled Health Organisations (ACCHOs). We also assist a number of other community-controlled organisations.

The first Aboriginal medical service was established at Redfern in 1971 as a response to the urgent need to provide decent, accessible health services for the largely medically uninsured Aboriginal population of Redfern. The mainstream was not working. So it was, that over fifty years ago, Aboriginal people took control and designed and delivered their own model of health care. Similar Aboriginal medical services quickly sprung up around the country. In 1974, a national representative body was formed to represent these Aboriginal medical services at the national level. This has grown into what NACCHO is today. All this predated Medibank in 1975.

NACCHO liaises with its membership, and the eight state/territory affiliates, governments, and other organisations on Aboriginal and Torres Strait Islander health and wellbeing policy and planning issues and advocacy relating to health service delivery, health information, research, public health, health financing and health programs.

ACCHOs range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal health practitioners and/or nurses to provide the bulk of primary health care services. Our 150 members provide services from about 550 clinics. Our sector provides over 3.1 million episodes of care per year for over 410,000 people across Australia, which includes about one million episodes of care in very remote regions.

ACCHOs contribute to improving Aboriginal and Torres Strait Islander health and wellbeing through the provision of comprehensive primary health care, and by integrating and coordinating care and services. Many provide home and site visits; medical, public health and health promotion services; allied health; nursing services; assistance with making appointments and transport; help accessing childcare or dealing with the justice system; drug and alcohol services; and help with income support. Our services build ongoing relationships to give continuity of care so that chronic conditions are managed, and preventative health care is targeted. Through local engagement and a proven service delivery model, our clients 'stick'. Clearly, the cultural safety in which we provide our services is a key factor of our success.

ACCHOs are also closing the employment gap. Collectively, we employ about 7,000 staff – 54 per cent of whom are Aboriginal or Torres Strait Islanders – which makes us the third largest employer of Aboriginal or Torres Strait people in the country.

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Recommendations

NACCHO recommends:

- 1 Any interventions to improve the early childhood education and care system in rural, regional and remote communities align with the National Agreement and its four Priority Reform Areas.
- 2 The Senate Standing Committees on Education and Employment works with The Early Childhood Care and Development Policy Partnership on any policy proposals coming out of this inquiry.
- 3 Any Aboriginal and Torres Strait Islander-specific activities to expand ECEC in rural, regional and remote communities are carried out through Aboriginal Community Controlled Organisations.
- 4 Continued funding for the Connected Beginnings program.
- 5 Full transition of mainstream Connected Beginnings backbone organisations to community control.
- 6 Targeted regional ECEC workforce training delivered through ACCHRTOs.
- 7 A dedicated funding model for ACCO integrated early years services.

Acknowledgements

NACCHO welcomes the opportunity to provide a submission to the Senate Standing Committees on Education and Employment. NACCHO supports the submissions to this consultation made by NACCHO Members and Affiliates and other Aboriginal Community Controlled Organisations.

National Agreement on Closing the Gap

Advocating for and securing the National Agreement on Closing the Gap was an historically significant act of Aboriginal and Torres Strait Islander self-determination. The National Agreement is evidence of a new era of engagement by and with Aboriginal and Torres Strait Islander people. It commits Australia to a new direction and is a pledge from all governments to fundamentally change the way they work with Aboriginal and Torres Strait Islander communities and organisations – to support self-determination and build the capacity of the community-control sector.

Target 3 of the National Agreement (*By 2025, increase the proportion of Aboriginal and Torres Strait Islander children enrolled in Year Before Fulltime Schooling (YBFS) early childhood education to 95 per cent*) directly relates to early childhood education. This is the only target that, as of 30 July 2026, has been met.¹

This Government's first Closing the Gap Implementation Plan commits to achieving Closing the Gap targets *through implementation of the Priority Reforms*. This represents a shift away from focussing on the Targets, towards the structural changes that the Priority Reforms require, and which are more likely to achieve meaningful outcomes for our people in the long term.

The reforms and targets outlined in the National Agreement seek to overcome the inequality experienced by Aboriginal and Torres Strait Islander people, and achieve life outcomes equal to all Australians. Governments at all levels have committed to the implementation of the National Agreement's four Priority Reform Areas, which offer a roadmap to meaningfully impact structural drivers of poor health and social outcomes for Aboriginal and Torres Strait Islander people:

Priority Reform Area 1 – Formal partnerships and shared decision-making

This Priority Reform commits to building and strengthening structures that empower Aboriginal and Torres Strait Islander people to share decision-making authority with governments, and to accelerate policy making that centres Aboriginal and Torres Strait Islander voices.

Priority Reform Area 2 – Building the community-controlled sector

Recognising that community-controlled services achieve better outcomes, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services, this Priority Reform commits to building Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap.

Priority Reform Area 3 – Transformation of mainstream institutions

This Priority Reform commits to systemic and structural transformation of government organisations to identify and eliminate racism, embed and practice cultural safety, deliver services in partnership with Aboriginal and Torres Strait Islander people, support truth telling about agencies' history with Aboriginal and Torres Strait Islander people, and engage fully and transparently with Aboriginal and Torres Strait Islander people when programs are being changed.

¹ Minister's Media Centre, Joint Media Release: Closing the Gap Preschool enrolments target met, Senator the Hon Malarndirri McCarthy and Senator the Hon Dr Jess Walsh, 30 July 2026, <https://ministers.education.gov.au/mccarthy/closing-gap-preschool-enrolments-target-met>.

Priority Reform Area 4 – Sharing data and information to support decision making

This Priority Reform commits to shared access to regional data and information to inform local-decision making and support achievement of the first three Priority Reforms. This Priority Reform supports principles of Indigenous Data Sovereignty.

Despite some progress, the need for fundamental systemic reform remains evident. In its first review of the National Agreement on Closing the Gap, the Productivity Commission found that governments are not adequately delivering on their commitments. Despite support for the Priority Reforms and some good practice, progress has been slow, uncoordinated, and piecemeal.

The Commission noted that to enable better outcomes, governments need to relinquish some control, share decision making and acknowledge that Aboriginal and Torres Strait Islander people know what is best for their communities. Aboriginal Community Controlled Organisations, must be treated as critical partners rather than passive funding recipients, and trusted to design, deliver and measure government services in ways that are culturally safe and meaningful for their communities.

‘Too many government agencies are implementing versions of shared decision-making that involve consulting with Aboriginal and Torres Strait Islander people on a pre-determined solution, rather than collaborating on the problem and co-designing a solution’²

NACCHO recommends any interventions to improve the early childhood education and care system in rural, regional and remote communities align with the National Agreement and its four Priority Reform Areas.

The Early Childhood Care and Development Policy Partnership (ECCDPP)

The ECCDPP was established under the National Agreement on Closing the Gap in August 2022, to drive transformative action to improve outcomes for Aboriginal and Torres Strait Islander children. The ECCDPP, co-chaired by SNAICC and the Department of Education, supports shared decision-making between Aboriginal and Torres Strait Islander leaders and Australian governments under Priority Reform 1 of the National Agreement. The ECCDPP has 11 Aboriginal and Torres Strait Islander members who are a mix of elected representatives from the Coalition of Peaks and independent representatives with specialist knowledge of the early childhood care and development sector.

NACCHO recommends the Senate Standing Committees on Education and Employment works with The Early Childhood Care and Development Policy Partnership on any policy proposals coming out of this inquiry.

Introduction

The first 2,000 days of life, from conception to commencing school, are considered an especially vital time for child growth and development, and establish the foundations for lifelong health and wellbeing.³ During these early years, because of the rapid physical, cognitive, and emotional development children experience, there is tremendous potential for services to positively influence family wellbeing and address the social, structural and cultural determinants that disproportionately influence health outcomes for Aboriginal and Torres Strait Islander children.

² Productivity Commission, Review of the National Agreement on Closing the Gap, Study Report, Canberra, 7 Feb 2024 <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report>.

³ Chung A, Hall A, Brown V, Kuswara K, Howse E, Stickney B, et al. Prevention in the first 2000 days: Synthesis of knowledge from The Australian Prevention Partnership Centre and CERl. The Australian Prevention Partnership Centre; 2022.

Early childhood education and care (ECEC) is closely interconnected with health outcomes. For example, in some Aboriginal and Torres Strait Islander communities the prevalence of Chronic suppurative otitis media (CSOM) is 10 times the World Health Organisation's public health emergency threshold of 4%.⁴ Children with CSOM can sustain hearing loss that leads to learning difficulties, such as speech delays. These can also result in communication difficulties, developmental delays, low self-esteem and educational challenges.⁵ This can include difficulties adjusting to school and symptoms of poor social and adaptive functioning.⁶ Children with CSOM are often identified or referred as having behavioural issues at pre- and primary-school. Furthermore, Aboriginal and Torres Strait Islander young people are more likely to have traumatic histories, developmental needs and inadequate support networks which may result in behavioural issues and disengagement with school systems.⁷ However, critically, conditions such as CSOM can be screened for and health-related referrals can be made from early childhood education and care centres.

Consideration of the value of early childhood education and care is critical across often siloed sectors, and greater coordination with other local health, disability and specialist services for children is needed. This is especially true as the Thriving Kids program (aimed at providing support to children aged 0-8 with developmental delay and/or autism with low to moderate support needs) begins its roll out. Thriving Kids aims to leverage existing health and education services and their networks. It is important that rural, regional and remote ECEC are not forgotten in Thriving Kids and similar support programs.

Enablers

Aboriginal and Torres Strait Islander culture and self-determination are powerful protective factors. Cultural determinants of health are anchored in Aboriginal and Torres Strait Islander ways of knowing, being and doing; these encompass a holistic understanding of health and wellbeing. Culture is central to this understanding and shapes relationships across self, Country, kin, community and spirituality.

In the context of service delivery to Aboriginal and Torres Strait Islander people, provision of holistic, trauma-aware, healing informed wrap around support is crucial in order to create positive outcomes for children.

ACCHOs and other Aboriginal Community Controlled Organisations (ACCOs) are deeply embedded in their communities. Relationships with other services such as police, education and community services enable them to be aware of non-medical pressures and events that have an impact on individuals and communities. ACCHOs are highly trusted services in Aboriginal and Torres Strait Islander communities, with research showing they are best placed to respond to the social and cultural determinants of health.⁸ At least 11 ACCHOs across Australia are ECEC providers.

The NSW *First Steps Aboriginal Children's Early Learning Strategy 2026-2030* outlines the importance of sustainability by strengthening ACCO-led centres, cultural safety, learning and development which connects with their culture, to grow and retain Aboriginal workforce and funding models to support flexibility and continuity.⁹

⁴ Royal Australian College of General Practitioners (RACGP), Ear disease in Aboriginal and Torres Strait Islander children, March 2021, <https://www1.racgp.org.au/newsq/clinical/ear-disease-in-aboriginal-and-torres-strait-island>

⁵ Gotis-Graham, A., Macniven, R., Kong, K. & Gwynne, K. (2020). Effectiveness of ear, nose and throat outreach programmes for Aboriginal and Torres Strait Islander Australians: a systematic review. *BMJ Open*, 10(11). <https://doi.org/10.1136/bmjopen-2020-038273>.

⁶ Deafness Forum Australia, Closing The Gap: Addressing the hearing health of Aboriginal and Torres Strait Islander Peoples in the criminal justice system, March 2023, <https://www.deafnessforum.org.au/wp-content/uploads/2023/03/Addressing-the-hearing-health-of-Aboriginal-and-Torres-Strait-Islander-Peoples-in-the-criminal-justice-system.pdf>.

⁷ Australian Institute of Health and Welfare (AIHW), Law and justice: prevention and early intervention programs for Indigenous youth, 2014 <https://www.aihw.gov.au/getmedia/85dd676d-62ab-47cf-8a01-a1847a05a17a/ctq-rs34.pdf.aspx?inline=true>.

⁸ National Aboriginal Community Controlled Health Organisation (NACCHO), Core Services and Outcomes Framework, June 2021, <https://csf.naccho.org.au/wp-content/uploads/2022/10/Core-Services-Outcomes-Framework-full-document.pdf>.

⁹ NSW Department of Education, First Steps - Aboriginal Children's Early Learning Strategy 2026–2030, https://education.nsw.gov.au/content/dam/main-education/early-childhood-education/operating-an-early-childhood-education-service/media/documents/making-services-accessible-for-all-children/First_Steps_Strategy_2026_-_2030.PDF.

NACCHO recommends any Aboriginal and Torres Strait Islander-specific activities to expand ECEC in rural, regional and remote communities are carried out through Aboriginal Community Controlled Organisations.

Connected Beginnings

The Connected Beginnings program provides a framework and funding to support the integration of early childhood, maternal and child health, and family support services with schools so that Aboriginal and Torres Strait Islander children are ready to thrive at school. It is a community-owned and led program that enables Aboriginal and Torres Strait Islander people have a say in how activities funded are delivered to their people, in their own places and on their Country. It is place-based, and prioritises investments that meet the needs and aspirations of community whilst building Aboriginal and Torres Strait Islander community-controlled sectors.

The Connected Beginnings program currently supports just under 25,000 Aboriginal and Torres Strait Islander children aged 0-5 years through its 50 sites across Australia.¹⁰ The majority of these sites are outside of major cities.¹¹

However, there have been difficulties with the program structure. Established in 2016, the program is delivered through partnerships between Backbone Organisations (funded by the Commonwealth Department of Education and supported by SNAICC) and the Health Partner (funded by the Department of Health and Aged Care and supported by NACCHO). All but one Health Partners are ACCHOs (this one mainstream site is in the process of transitioning to community control however). Backbone Organisations may be ACCOs, ACCHOs or mainstream organisations. This program model has caused tension and appears to undermine community controlled organisations, in particular when the Aboriginal funding is with a mainstream organisation.

A mid-term evaluation of the program found that Connected Beginnings was positively contributing to the four Priority Reforms under Closing the Gap. Furthermore, a cost-benefit analysis undertaken as part of the evaluation demonstrated that for every dollar invested, potential positive outcomes and impact amounting to between \$2.12 and \$4.24 is likely returned.¹²

The mid-term evaluation also found that the current funding, resource, partnership and grant management arrangements are presenting some challenges for Backbone Organisations and Health Partners, and that some improvements should be made to strengthen the program's operation and ongoing implementation. Since then, the Department of Health, Disability and Ageing has withdrawn the funding commitment to fund the remaining 3 vacant health partner sites within the Connected Beginnings program.

NACCHO recommends continued funding for the Connected Beginnings program.

NACCHO recommends full transition of mainstream Connected Beginnings Backbone Organisations to community control.

Community Child Care Fund Restricted (CCCFR) Expansion Program

The CCCFR, which is funded under the Community Child Care Fund, focuses on increasing participation of Aboriginal and Torres Strait Islander children in ECEC, particularly in remote and very remote locations –

¹⁰ Department of Education, Connected Beginnings, January 2025, <https://www.education.gov.au/early-childhood/providers/extra-support/community-child-care-fund/connected-beginnings>.

¹¹ Department of Education, Connected Beginnings sites, April 2026, <https://www.education.gov.au/early-childhood/providers/extra-support/community-child-care-fund/connected-beginnings/sites>.

¹² Department of Education, Evaluation of Connected Beginnings: mid-term report 2023, <https://www.education.gov.au/early-childhood/resources/evaluation-connected-beginnings-midterm-report-2023>.

with a focus on culturally appropriate and community controlled services.¹³ SNAICC is the official Community Partner of the CCCRF Expansion Program.

SNAICC has carried out on Country consultations regarding the scope for future opportunities for the program.

Consultations highlighted the significant unmet need for culturally safe early childhood education and care in many communities, and the important role that community-controlled services play in supporting children's development, family wellbeing and broader community outcomes.¹⁴

A review of the CCCFR grant, carried out by Deloitte, in partnership with SNAICC and consultants Murawin, found that:

- Many services funded under CCCFR would not be financially viable with mainstream childcare funding alone.
- Aboriginal and Torres Strait Islander families and communities do not feel that the CCCFR grant is sufficient to support strong developmental outcomes and address barriers to ECEC participation for their communities.
- Government should consider alternate funding models for ACCO early year services.

Further details from this report are available on [the Department of Education's website](#).

Other sector growth activities

SNAICC's Building Early Education Funds provides small-scale grant opportunities to increase ACCO ECEC services in areas of needs.¹⁵ There are also jurisdictional approaches such as the NSW Government 2025-26 ACCO-led ECEC Sector Growth Partnership program.¹⁶

These grants for ACCO ECEC sector growth are welcome, however they do not meet sector needs for long term, sustained funding.

Workforce and training

The Inquiry seeks to understand challenges in attracting, training and retaining a qualified ECEC workforce. In order to best support rural, regional and remote workforce development, it is NACCHO's view that the best solution is to build skills among local residents.

Aboriginal Community-Controlled Registered Training Organisations (ACCRTOs) play a vital role in delivering culturally safe, community-led education and training, across a number of sectors (from health to retail and hospitality to the creative arts). They are uniquely positioned to respond to the needs of Aboriginal and Torres Strait Islander learners by embedding Aboriginal and Torres Strait Islander knowledge systems, local languages, community priorities into vocational pathways and providing essential wrap around supports.

ACCRTOs are critical enablers of regional workforce development and educational pathways. They provide a diversity of both accredited and non-accredited training to ACCHOs and their wider communities to build a skilled Aboriginal and Torres Strait Islander workforce.

¹³ SNAICC, What is the CCCFR Expansion Program?, <https://www.snaicc.org.au/our-work/early-childhood-development/cccfr-expansion-program/>.

¹⁴ SNAICC, What is the CCCFR Expansion Program?, <https://www.snaicc.org.au/our-work/early-childhood-development/cccfr-expansion-program/>.

¹⁵ SNAICC, Building Early Education Fund small-scale grant opportunities, June 2026, <https://www.education.gov.au/early-childhood/about/building-early-education-fund/small-scale-grant-opportunities>.

¹⁶ NSW Government Education, ACCO-Led ECEC Sector Growth Partnership program, September 2026, <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/acco-led-ecec-sector-growth-partnership-program>.



Additionally, moving to a skills-based student-centred VET training model will allow the creation of an adaptable and local placed based health and care workforce which will have a lasting impact on regional, rural and remote economies.

A skills focus would also support ACCRTOs to streamline capability building across the care and support sectors for the ACCHO workforce. The ACCHO sector is a strong example of integrated primary healthcare models combining multidisciplinary workforces to deliver high quality, person centred services to their communities.

NACCHO recommends targeted regional ECEC workforce training delivered through ACCRTOs.

Challenges

Due to the limited time frame, NACCHO was unable to undertake targeted consultation for this consultation. However, we have received consistent feedback from the sector that fragmented and unsustainable funding models are a major barrier to provision of holistic, culturally safe early childhood development and schooling services. Fragmented and uncertain funding arrangements create recruitment and retention issues for the sector and demoralise the workforce. Excessive regulation and the resulting administrative burden can also be costly, and can impact the financial viability of ECEC centres. This results in fewer staff and, due to staff per child ratios, fewer children are able to attend the centre.

These issues have been detailed by SNAICC in their [2025-26 Pre-Budget Submission](#). SNAICC's proposed solution to this funding issue is the implementation of a dedicated funding model for ACCO integrated early years services.

NACCHO recommends a dedicated funding model for ACCO integrated early years services.

NACCHO has heard that backlogs relating to the Child Care Subsidy and delayed payments to ECEC have resulted in financial stress for families and have led to the risk of children being denied access to the daycare centre.