Emerging drivers of declining AEDC results in the ACT: Extended summary

Commissioned by the ACT Health and Community Services Directorate (HCSD)

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Nous Group acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and the Traditional Custodians of Country throughout Australia. We pay our respect to Elders past and present, who maintain their culture, Country and spiritual connection to the land, sea and community.

This artwork was developed by Marcus Lee Design to reflect Nous Group's Reconciliation Action Plan and our aspirations for respectful and productive engagement with Aboriginal and Torres Strait Islander peoples and communities.

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1.1 Developmental vulnerability is increasing among ACT children

Based on ACT Australian Early Development Census (AEDC) data, the ACT is experiencing a sustained and systemic increase in children's developmental vulnerability, with the proportion of children starting school with developmental vulnerability rising in every AEDC cycle since 2015. This trend is notable because it has not been observed consistently in other jurisdictions to the same extent, including those that experienced more extended COVID-19 lockdowns.

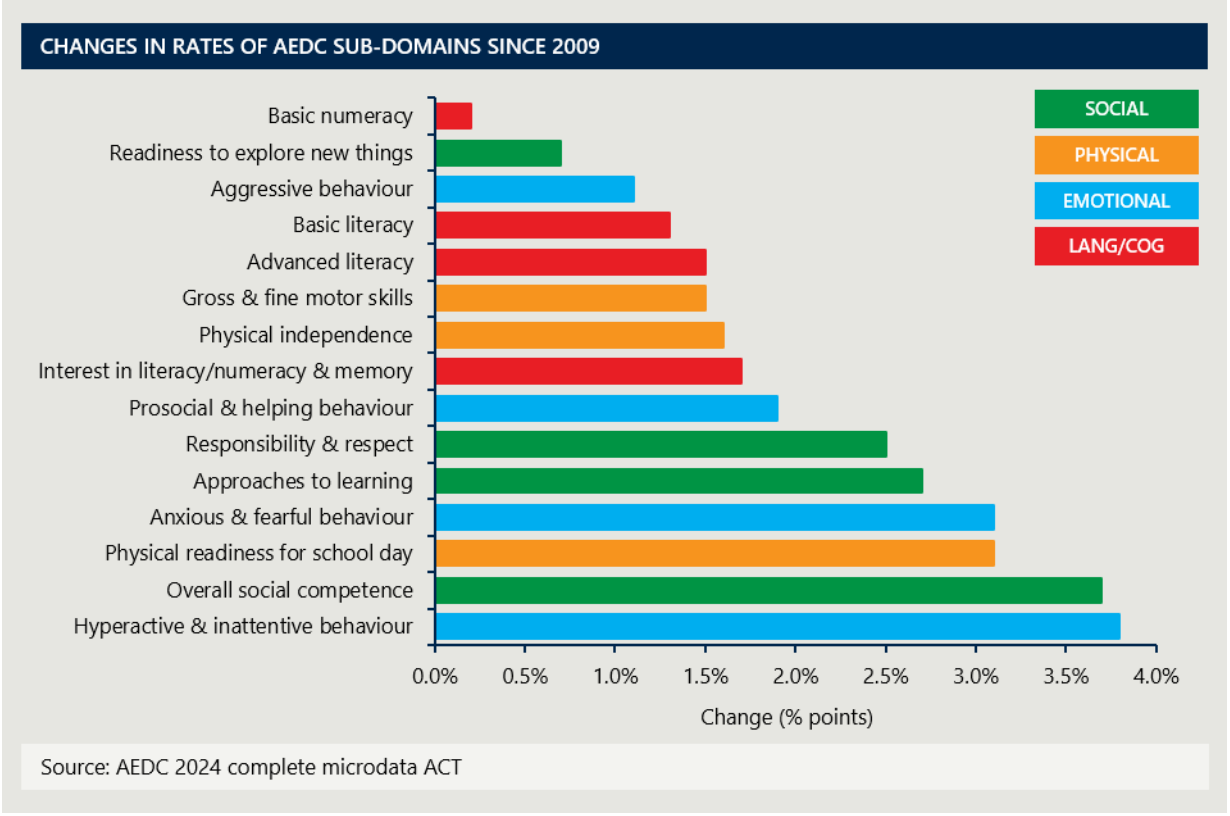
Analysis of ACT AEDC data highlights that:

- **In 2024, one child in four started school with at least one area of significant developmental concern,** and one in seven had challenges across multiple domains. Between 2021 and 2024, the ACT recorded a 3.5 percentage point reduction in children developmentally on track across all five domains, giving it the second lowest proportion nationally (see Figure 1).
    - Importantly, this trend cannot be explained by changing population demographics. A Kitagawa shift-share decomposition of the 5.6 percentage point rise in DV1 between 2015 and 2024 shows that almost all of it comes from children within every group becoming more developmentally vulnerable, not from a shift in the mix of children toward higher-risk groups (see Figure 2).
- **Priority cohorts, such as Aboriginal and Torres Strait Islander children and children from language backgrounds other than English (LBOTE), experience higher developmental vulnerability**, but do not account for the overall decline. In 2024, more than one in three Aboriginal and Torres Strait Islander children faced compounding challenges across multiple developmental areas, and the gap with non-Aboriginal and Torres Strait Islander children is widening. For LBOTE children, developmental vulnerability is concentrated in communication skills and general knowledge, and language and cognitive skills (school-based), domains sensitive to English proficiency where newly arrived or bilingual children can be disadvantaged.
- **The fastest growth in developmental vulnerability has been in social, emotional and physical development rather than language and cognitive skills.** While results worsened across all domains from 2015 to 2024, the largest declines were in emotional maturity (+3.4 percentage points, pp), communication skills (+3pp), and physical health and wellbeing (+2.9pp), with the biggest subdomain rises in hyperactivity and inattention, social competence, physical readiness for school[1], and anxiety-related behaviours.
- **The increasing rate of developmental vulnerability is not confined to disadvantaged areas.** Sharp declines are evident in suburbs not traditionally characterised as 'disadvantaged' by ABS SEIFA, such as Red Hill, Casey, and Melba (see Figure 3).
- **Outer districts such as Gungahlin, Tuggeranong and Belconnen have the highest absolute levels of developmental vulnerability**. Outcomes are declining at a similar rate across the ACT regardless of area-level socioeconomic status, but these districts started from a lower base, leaving them with very high developmental vulnerability by 2024 (see Figure 3).

These results point to a system-level challenge affecting children's developmental outcomes across the territory. And they raise questions about which factors specific to the ACT might be responsible for increased developmental vulnerability, putting potential national influences aside.

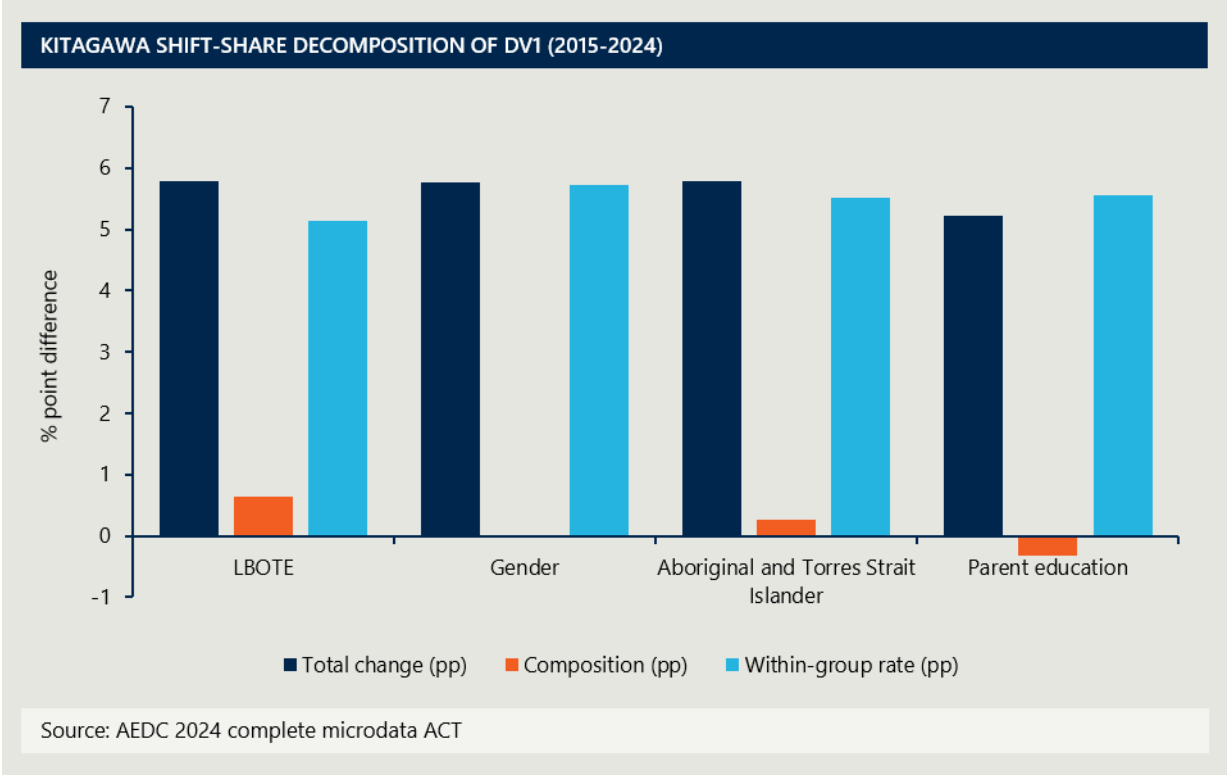
[1] Physical readiness for the school day is a specific subdomain under the broader Physical Health and Wellbeing domain. It measures whether a child has the physical capacity and daily habits required to fully engage and participate in a standard school day.

Figure 1 | Percentage point increases in subdomain developmental vulnerability[2]



Source: AEDC 2024 complete microdata ACT

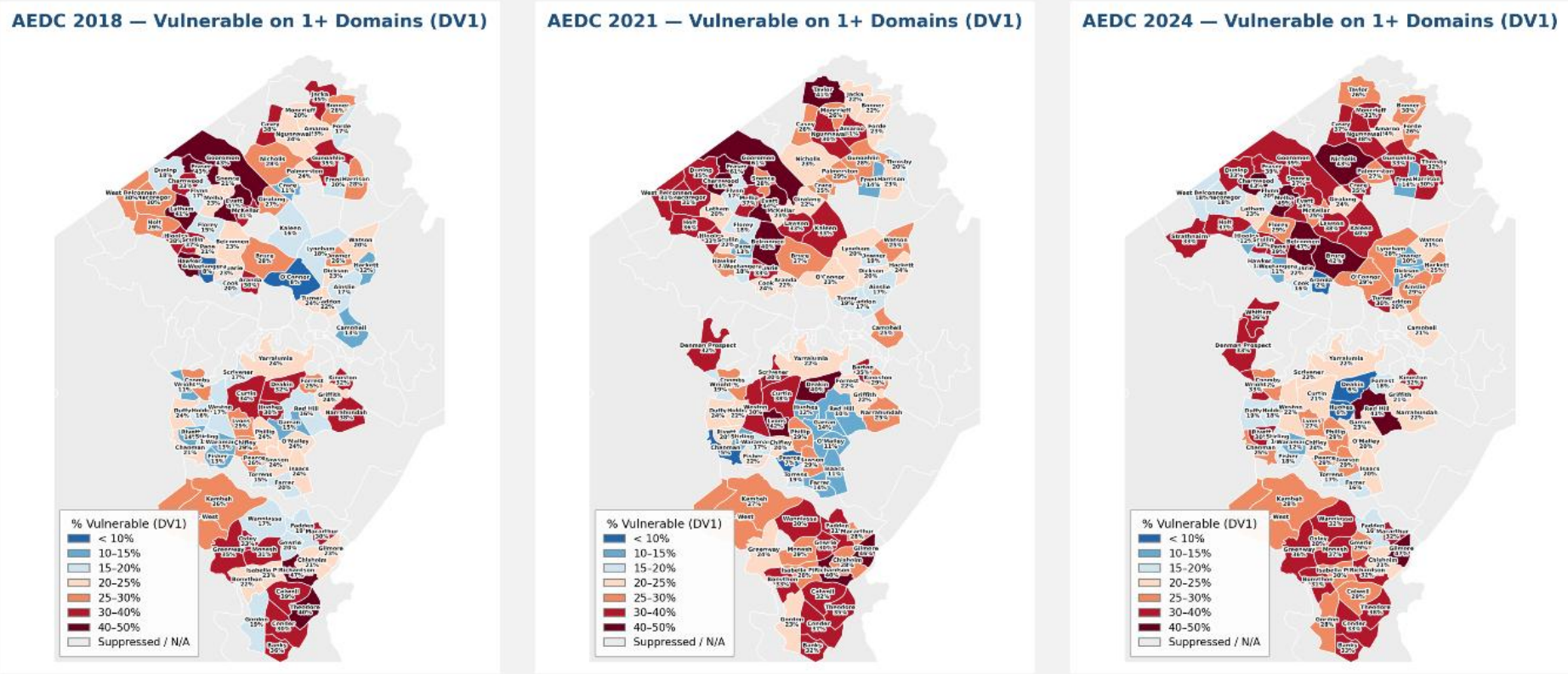
Figure 2 | Kitagawa shift-share decomposition for DV1 (2015-2024)



Source: AEDC 2024 complete microdata ACT

[2] This chart and all subsequent AEDC charts in this report (unless otherwise stated) use data from the Australian Early Development Census (AEDC). The AEDC is funded by the Australian Government Department of Education. The findings and/or views reported are those of the author and should not be attributed to the Department or the Australian Government.

Figure 3 | DV1 by SA2[3]



[3] AEDC Data by Statistical Areas Level 2 (2009-24)

1.2 Declining AEDC outcomes are likely driven by systemic factors rather than a single cause

Child development outcomes are known to be shaped by a wide range of interacting factors across the child and family, service system, and broader social context, consistent with a socioecological model of development.[4] This means it is likely that the drivers of declining AEDC outcomes in the ACT are multifactorial and systemic, rather than attributable to any single cause.

A summary of the factors that may be driving declining developmental outcomes are outlined in Table 1. These factors were identified through desktop research, consultation with select ACT Government representatives and frontline early years staff, alongside analysis of AEDC and public early childhood education and care (ECEC) and health data.

The strength of evidence across each emerging driver was assessed, based on the breadth, consistency and quality of evidence drawn from quantitative analysis, stakeholder consultations and desktop research. Findings supported by multiple, converging sources of evidence are assigned a higher confidence rating, while those based on more limited or less consistent evidence are assigned a lower rating.

Table 1 | Emerging drivers of declining AEDC outcomes, based on dimensions of a socioecological model

Emerging driver	Strength of evidence
CHILD	
1. Children's behavioural and developmental needs are becoming more complex.	●●●
FAMILIES AND NETWORKS	
2. There is growing hidden vulnerability amongst families across the ACT.	●●●
3. Increasing family pressures and variable levels of child development knowledge among parents and carers may be limiting children's developmental opportunities.	●●○
SYSTEMS AND COMMUNITIES	
4. Parenting supports are crucial but can be hard to access, are insufficient and/or made available too late.	●●○
5. Access to high-quality ECEC is not equitable across the ACT.	●●○
6. Access barriers and service and workforce capacity are delaying early identification and intervention.	●●○
7. Service pathways have become fragmented, leaving a gap between recognising need and providing early intervention support.	●●○
SOCIETY	
8. Multiple agencies hold the levers in the early years system, and there is no clear steward.	●○○
9. Disconnected data systems and inconsistent information sharing across Health and Community Services Directorate (HCSD), Canberra Health Services (CHS) and other directorates limits coordinated and timely care.	●○○

[4] Nous adapted version of Bronfenbrenner's ecological systems theory diagram.

CHILD

Children's behavioural and developmental needs are becoming more complex

The characteristics and developmental needs of ACT children are changing, with increasing indications that children are starting school with more complex social, emotional and physical development challenges than in previous AEDC cycles. While ACT families have become more culturally diverse and a slightly larger proportion of children identify as Aboriginal and Torres Strait Islander, demographic change does not explain the overall decline in AEDC results. Instead, these shifts highlight the need for services that are responsive to an increasingly diverse population and a broader range of developmental needs.

Teacher-assessed indicators provide further evidence of growing complexity. The proportion of children starting school with a developmental difficulty that affects their capacity to learn increased from 14.8 per cent to 20.3 per cent between 2015 and 2024, while the proportion of children identified as needing further assessment has risen substantially over time.[5] Kindergarten teachers surveyed for this report reported increases in developmental, behavioural and social-emotional needs, alongside more children arriving at school without having accessed early intervention services.

The evidence suggests the ACT's challenge is not primarily one of declining academic preparedness, but rather developmental vulnerability related to social competence, emotional maturity, and physical health and wellbeing. This pattern has important implications for the design of early years services and supports, reinforcing the need for earlier identification, stronger family and community supports, and services capable of responding to increasing developmental complexity before children commence school.

FAMILIES AND NETWORKS

There is growing hidden vulnerability across families in the ACT

Rising developmental vulnerability in the ACT is occurring alongside increasing pressures on families. These pressures are not limited to traditionally disadvantaged households but are affecting a broader range of families, including those who may appear financially secure yet experience significant stress, social isolation or difficulty accessing support. Together, these factors are creating forms of "hidden vulnerability" that may influence children's developmental outcomes.

While the ACT remains relatively advantaged overall, developmental vulnerability is concentrated in some communities experiencing overlapping social and economic pressures. Stakeholders from HCSD and CHS, frontline early years practitioners and sector experts reported that factors such as housing stress, family violence, parental mental health challenges, substance use and intergenerational trauma often interact and compound one another, increasing developmental vulnerability for children and reducing families' confidence to seek support early. AEDC data shows that some areas with higher rates of social housing also experience higher rates of developmental vulnerability. However, developmental vulnerability remains high in several areas without significant social housing, highlighting the influence of a broader range of social, economic and environmental factors on children's development.

Cost-of-living pressures are emerging as a significant challenge for families across the ACT. Stakeholders from HCSD and CHS and frontline early years practitioners described increasing financial strain associated with housing, utilities, food and transport costs, affecting both lower-income households and dual-income families. Broader evidence points to growing financial stress, social isolation and parental wellbeing challenges, all of which are known risk factors for poorer developmental outcomes in children.[6,7]

[5] AEDC microdata, 2024
[6] ACT Council of Social Service, State of the ACT Community Sector Report 2025 (2025).
[7] Parenting Research Centre (2026). Parenting Today: Parent mental health and wellbeing – Insight Brief 2. Melbourne: Parenting Research Centre.

The ACT's highly mobile population may further contribute to social isolation and weaker informal support networks. Families relocating for work often lack extended family or established community connections, reducing opportunities to access practical support, share parenting experiences and identify developmental concerns early. These challenges may be particularly pronounced for CALD families, who can face language barriers, limited awareness of available services and difficulties navigating the service system. Concerns about visa implications may also discourage some families from seeking developmental assessment or support.

Increasing family pressures and variable levels of child development knowledge among parents and carers may be limiting children's developmental opportunities

Increasing family pressures may reduce parents' confidence to monitor their child's development and seek help when concerns arise. Although developmental information and screening tools exist, stakeholders from HCSD and frontline early years practitioners reported that parents do not always use these resources as intended and may have limited awareness of developmental milestones or early signs of concern. Sustained stress, time pressures and competing demands can further delay recognition of developmental issues and engagement with support services. These challenges may be compounded by a well-intentioned 'wait and see' approach, concerns about stigma, and the emotional impact of coming to terms with developmental difficulties.

Stakeholders from HCSD, kindergarten teachers and sector experts also identified changes in children's home environments as a potential contributor to developmental vulnerability. Increased screen use by both children and parents may be reducing opportunities for interaction, communication and relationship-building that support healthy development. At the same time, children are being read to at home less frequently than in previous years. AEDC data shows a steady decline in regular reading at home since 2015 and indicates that children who are not read to frequently experience considerably higher rates of developmental vulnerability. While this relationship does not establish causation, it suggests broader shifts in home learning environments that may be affecting children's social, emotional and language development.

SYSTEMS AND COMMUNITIES

Parenting supports are crucial but can be hard to access, are insufficient and/or made available too late

Families face increasing difficulty accessing timely support when developmental concerns emerge. Parenting supports such as playgroups, peer supports and community-based programs are widely recognised as important protective factors for child development. Between 2015 and 2024, the percentage of children who attended playgroup before entering school (as reported by their teacher) decreased from 34.5 per cent to 26.4 per cent.[8] Across the four AEDC cycles, children who attended playgroup were markedly less vulnerable, with DV1 at 22.3 per cent versus 31.7 per cent for non-attendees, and DV2 at 10.4 per cent versus 17.5 per cent. Additionally, emotional maturity developmental vulnerability was 9.4 per cent for attendees, versus 13.1 per cent for non-attendees.[9] This evidence suggests declining participation in playgroups and reduced opportunities for informal parental support may limit families' confidence, social connection and capacity to seek help early, which is also reinforced by stakeholder reports that these supports are not consistently available and are often accessed too late.

Access to high-quality ECEC is not equitable across the ACT

Children in the ACT are spending more time in ECEC than ever before, with participation rates consistently above the national average. While increased participation can support children's cognitive, language and social-emotional development, outcomes depend on the quality of care, as well as children's individual circumstances. Although the ACT has many high-quality services, access and quality vary across locations and

[8] AEDC Microdata, 2024. Note: Excludes students who teachers marked as 'don't know' in the AEDC instrument). The share of 'don't know' is 80 per cent and 87 per cent in 2015 and 2024 respectively.
[9] Ibid.

providers, with developmental vulnerability tending to be higher in areas with lower ECEC availability. At the same time, workforce shortages, capability gaps and increasing complexity of children's needs are placing pressure on the sector and may be limiting its ability to deliver consistently high-quality support.

Access barriers and service and workforce capacity are delaying early identification and intervention

Survey results suggest sector stakeholders view service access and early identification as the most important contributors to declining AEDC results in the ACT. The strongest-rated issue was that long wait times for services impacted timely assessment and early identification (8.5 out of 10). This was closely followed by late identification of developmental concerns (8.4 out of 10) and limited service availability (8.1 out of 10), indicating a strong view that children and families are not getting timely support when concerns first emerge.

Access barriers (including the availability of services) across health, developmental and early intervention services further delays support for children and families. The current system relies heavily on parents recognising concerns and seeking help through an opt-in model, despite evidence that families experiencing stress, isolation or low developmental literacy may be less likely to engage. Long wait times for specialist services, uneven service availability, workforce shortages and high out-of-pocket costs were consistently identified as barriers to timely intervention. In some locations, lower ECEC availability also aligns with higher rates of developmental vulnerability. Culturally tailored supports improve engagement for CALD families, but availability remains inconsistent across the Territory.

Service pathways have become fragmented, leaving a gap between recognising need and providing early intervention support

The early childhood service system is becoming increasingly fragmented. While developmental concerns are often recognised, families can encounter a complex and disconnected pathway to support. Changes following the introduction of the NDIS in 2014 and the transition away from Therapy ACT were reported to have shifted the system towards assessment and eligibility determination, while reducing access to ongoing therapy and practical early intervention supports. The key change was the reduction in dedicated therapy and early intervention services that previously provided an additional pathway for identifying developmental concerns and delivering timely support once concerns were recognised. Stakeholders reported that this has created a pronounced gap between recognising need and responding to it. This has created a "missing middle" of children with developmental needs who do not qualify for NDIS support but still require early intervention and support. At the same time, more complex diagnostic pathways, higher access thresholds and persistent wait times are limiting timely access to support. Together, these factors have increased reliance on formal diagnosis while reducing access to early intervention and constraining the system's ability to respond proactively to emerging developmental needs.

SOCIETY

Multiple agencies hold the levers in the early years system, and there is no clear steward

The early years service system brings together a broad set of supports that influence children's development from before birth through to the early years of schooling. It operates as a connected, layered system of supports, where high-quality early learning, parenting, health and disability services sit within broader community, social, protective and material supports that together, enable children and families to thrive.

At a system level, responsibility for early childhood outcomes is spread across multiple agencies, with no single entity responsible for stewarding the early years system. Stakeholders described strong policy intent and significant investment, but noted that policy, funding, workforce and service delivery are often poorly aligned. Collaboration is frequently dependent on individual relationships rather than embedded governance structures, limiting continuity and coordinated action.

Disconnected data systems and inconsistent information sharing across HCSD, CHS and other directorates limits coordinated and timely care

Fragmented data systems and legislative barriers to information sharing limit coordinated care. Separate governance arrangements and disconnected information systems across health, education and community services make it difficult for providers to share information and build a complete understanding of a child's needs. This contributes to duplication, delayed referrals and disjointed support for families. Strengthening stewardship, integration and interoperability across the early years system will be critical to improving early identification, reducing barriers to support and ensuring children receive timely, coordinated care.

1.3 The ACT Government has an opportunity to strengthen its existing policies and better focus efforts on improving developmental outcomes for all children

Since the introduction of the AEDC in 2009, the ACT's early years policy makers have progressively built a more integrated and outcomes-focused early years system. Several long-term strategies focused on children, families and different parts of the early years system have shaped this work. Collectively, these strategies aim to expand family supports; strengthen Aboriginal and Torres Strait Islander people-led approaches; reform out-of-home care and child protection; strengthen health services; and expand access to equitable and quality early education.

National reforms have complemented this work by seeking to improve early years service integration (*Early Years Strategy*), lift ECEC quality (*National Quality Framework*) and support more equitable outcomes for Aboriginal and Torres Strait Islander children, families and communities (*Closing the Gap* and *Safe and Supported)*.

More recently, the ACT Government has begun planning for Thriving Kids, a major national reform focused on strengthening early identification, system navigation, developmental supports and coordinated assistance for children aged 0 to 8 and their families. The reform includes clearer developmental information and advice for parents, accessible entry points such as group-based and community supports, and more proactive guidance on when and how to seek help. While primarily focused on developmental delay, Thriving Kids provides an important reform context for understanding how the ACT's early years system is evolving and where future opportunities may exist to address the broader drivers of developmental vulnerability identified in this report.

The ACT Government has a range of early years initiatives in place, reflecting its commitment to improving early childhood outcomes. However, the persistence of declining AEDC results indicates a need to better understand where policy intent is not translating into improved developmental outcomes and respond to the factors driving recent trends.

To address the broad-based increase in developmental vulnerability among ACT children – across demographic groups, geographies and socioeconomic profiles – this report proposes seven policy responses for the ACT Government's consideration. These responses are grounded in proportionate universalism: a strong universal system for all children and families, complemented by targeted and intensive supports scaled to need. They build on existing ACT Government and sector efforts to strengthen the early years system. Table 2 presents the proposed policy responses and potential initiatives.

Table 2 | Proposed policy responses and potential initiatives

	Policy response	Examples of potential initiatives
1	**Build parents' confidence about children's development to increase help-seeking and strengthen home learning environments**	Refresh and actively promote practical parent-facing developmental guidance for all families across the ACT, including milestones, early warning signs, what is "typical", and what to do when concerns arise (whether it be in the home or in other contexts such as ECEC), with a focus on social, emotional and physical development.
		Identify gaps in universal and accessible parenting supports (such as playgroups, peer supports and community-based programs) to help support healthy child development, reduce isolation and strengthen confidence of parents, carers and kin.
		Identify gaps in culturally safe and community-led supports for Aboriginal and Torres Strait Islander families and CALD families, and where appropriate, expand Aboriginal Community Controlled Organisation (ACCO)-led supports and ECEC, multicultural playgroups, and multilingual and community-based engagement approaches.
2	**Strengthen early identification of developmental concerns by early years professionals and parents to ensure timely access to support**	Embed annual health checks and follow-ups more systematically into existing universal touchpoints, such as immunisations, preschool enrolment, ECECs, Koori preschools and other everyday settings.
		Promote uptake of existing or introduced developmental checks through proactive engagement and behavioural prompts.
3	**Enhance the 'no wrong door' system so families can access support through any entry point and receive timely, coordinated care without needing to navigate the system themselves**	Strengthen and support every touchpoint (Child and Family Centre's (CFCs), Maternal, Child and Family Health (MACH), GPs, ECEC, Child Development Service, etc.) to identify need, provide initial support, and actively connect families onward.
		Embed a navigation support function for families with emerging or moderate need, especially where multiple services are involved or where families face language, transport or work-related or other social barriers.
		Create a child development campaign and website to inform parents where to go/who to talk to.
4	**Value the role of ECEC in responding to rising developmental complexity, by continuing to invest in**	Deliver targeted professional learning in child development, inclusion, trauma-informed practice, neurodiversity and early identification for ECEC educators, preschool staff and early years teachers, and identify opportunities to strengthen how education practice is adapted to meet all children's needs.

	Policy response	Examples of potential initiatives
	service and workforce quality.	Provide targeted support to ECEC services working towards meeting the National Quality Standards, including tailored mentoring, leadership capability uplift and quality improvement supports to strengthen their ability to respond to increasingly complex developmental and behavioural needs.
5	**Layer targeted, place-based responses over a universal system to improve equity, early identification and support in high-need areas.**	Trial new approaches to service delivery in place-based pilots, which might include strengthened CFC service models through targeted outreach including community-based parenting support and developmental services.
6	**Elevate Aboriginal and Torres Strait Islander community leadership to drive self-determined early years services design and delivery.**	Embed Aboriginal governance and shared accountability across the early years system.
		Explore options to strengthen Aboriginal and Torres Strait Islander-led early childhood and developmental supports.
		Build and sustain the Aboriginal early years workforce.
7	**Strengthen stewardship and joint accountability across government to improve early years outcomes across the system.**	Set a clearer whole-of-government mandate and accountability for improving early childhood developmental outcomes, including AEDC-related outcomes.
		Develop a clear, cross-sector early years strategy with shared a vision across HCSD, CHS, Education and community-delivered services.
		Formalise cross-sector data-sharing, so relevant developmental information can follow the child across services with appropriate privacy protections.