Early Learning: Everyone Benefits is a campaign leading Australians to value the benefits of quality early learning for all children, and for Australia’s future prosperity. The campaign is supported by a national coalition of early childhood and parent peak bodies, providers, organisations and individuals.


TERMS USED IN THE REPORT

Early learning means the vital stages of children’s development from birth to age five, including brain development, motor skills, communication, social and emotional wellbeing—all of the skills needed for lifelong learning.

Early learning occurs in formal settings (early childhood education and care) but also at home and in relationships with family members, caregivers and educators.

Early education is the intentional support of early learning by skilled professionals and necessarily occurs in an environment of relationships (National Scientific Council on the Developing Child, 2004).

Everyone benefits means that the positive outcomes of early learning can and do have beneficial impacts on Australia as a whole, as well as on children and their families.

The following abbreviations of jurisdictions are made in this report:

NSW New South Wales
Qld Queensland
WA Western Australia
Vic. Victoria
Tas. Tasmania
SA South Australia
NT The Northern Territory
ACT The Australian Capital Territory
Cth Commonwealth
Aust. Australia

ACKNOWLEDGEMENTS

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We acknowledge the assistance of government officials. Departments contacted include:

Australian Government, Department of Education and Training
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New South Wales Government, Department of Education
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Victorian Government, Department of Education and Training
Government of Western Australia, Department of Education and Department of Local Government and Communities
Tasmanian Government, Department of Education

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Centre for Community Child Health (CCCH)
The Parenthood
KU Children’s Services
C&K Queensland
The Benevolent Society
If we can improve the wellbeing of our population we all benefit long term, because of decreased costs, but also because of increased productivity for the nation as a whole. (Professor Edward Melhuish, 2015)

INTRODUCTION

Australia needs to invest in children’s development so that everyone in our country can succeed in the future. This is important because our nation’s prosperity depends on the collective investments that we make in all of our children’s development. When we devote resources to improve programs and services that help all children be healthy, get a good education and contribute to our collective prosperity, we all benefit. Increasing our investments in young children and the programs that support them will help to ensure that we are a thriving and prosperous country in the future.

The Organisation for Economic Co-operation and Development (OECD) has established a comprehensive framework called Starting Strong to guide countries in delivering effective early learning policies. This is used as a touchstone for analysis of the state of early learning in Australia.

The purpose of the State of early learning in Australia report 2016 is to:

- provide a high level snapshot of quality, participation and affordability of early childhood education and care in Australia
- highlight areas of improvement by state/territory governments and Commonwealth
- expand upon existing data sets already publicly available
- present data in a short and accessible format, bringing together existing public data.

This report will be the first in a series of reports to be published annually, tracking progress in a range of different early childhood education and care outcome measures.

This report also acts as baseline for evaluating the Early Learning: Everyone Benefits campaign.

EXECUTIVE SUMMARY

Australia has significant progress to make to improve the state of early learning.

The Australian Early Development Census (AEDC) data shows that one in five Australian children are vulnerable in key areas of development. This rate increases to two in five for Aboriginal and Torres Strait Islander children (Australian Government, 2016c).

It is important that we seize the opportunity to improve access to quality early learning that the research shows amplifies children’s development, helping to build Australia’s future prosperity.

Less is invested in early learning in New South Wales per child and less as a percentage of overall expenditure than in other jurisdictions. While participation rates at age three are generally higher in NSW than other jurisdictions, enrolment at age four is low and cause for significant concern, as are the rates of enrolment of Aboriginal and Torres Strait Islander children.

In Victoria a significant majority of early childhood services are performing well in terms of quality—the best in the country. Enrolment rates of three and four-year-olds show room for improvement when compared with other jurisdictions. However, data gaps in relation to children’s participation in early learning are of concern in monitoring progress into the future, especially for the participation of children under four in early learning. While the government is focused on building Victoria as an ‘Education State’, the timing of this report shows that this is yet to be realised in increased expenditure in early learning and improvements in key outcomes for children in terms of the participation of children in early childhood education.

Queensland is part way through a significant transformation in children’s participation in quality early learning. The participation of four-year-olds in early learning has dramatically increased in Queensland and is now reaching the required benchmarks. Service quality ratings are strong, but there exists further opportunity to improve access for three-year-olds, so that the benefits of the transformation are further entrenched. This will help to address considerable vulnerabilities across all five domains of child development, where Queensland lags behind the rest of Australia.
Tasmania has more work to do to improve the participation rates of all children and Aboriginal and Torres Strait Islander four year olds in early learning, with the lowest rates in the nation at this age. Whilst participation at this age is heavily affected by a later school starting age, all children benefit from accessing a high quality early childhood education and care program at age four. The AEDC reveals that efforts to improve language and cognitive skills could be a focus for Tasmania in the future, with the equal second highest rate of vulnerability in this domain of child development.

Western Australia’s participation rates in early learning for children from birth to three-year-olds are cause for significant concern, the second lowest in the nation. This is contrasted with strong participation among four-year-olds, and significant investment in early childhood as a proportion of the state’s budget expenditure. The split in governance at the state level is a cause for concern. Providing a lead Ministry on early childhood may assist in coordinating improved outcomes.

South Australia has the highest number of services exceeding the National Quality Standard, though there is still further work to do to improve quality in other services that are not meeting the Standard. The level of vulnerability in key areas of child development is higher than some other jurisdictions. However, the government is placing an emphasis on investment in the early years, with a significant proportion of budget expenditure.

The Australian Capital Territory outperforms many other jurisdictions in terms of participation across most age groups. The jurisdiction can do more in terms of its focus on improving quality of early learning. While the ACT has provided strong support for structural quality like staff qualifications and ratios, the quality area ratings suggest a need to improve process quality. The AEDC reveals that greater vulnerabilities exist for children in the physical health and wellbeing domain of child development which may be cause for greater focus on this area in the future.

The Northern Territory has the greatest challenges to overcome in improving access to early learning. More children are vulnerable across every domain of child development. Early childhood services have lower quality ratings than other jurisdictions. And fewer children from birth to three years old are participating despite the recognised benefits for vulnerable children at these ages. In contrast, the NT has the greatest level of investment on a ‘per child’ basis in early childhood education, suggesting that governments are recognising that this is a key area for investment. The participation of four-year-olds in early childhood education is also high.

Overall Australia remains behind the rest of the developed world in supporting access to quality early learning. While we have caught up in rankings to improve access to four-year-olds, we are far behind comparable countries in terms of the participation of three-year-olds in early childhood education, including the United Kingdom, New Zealand and Denmark. This is despite the causal relationship between attendance at early learning and later educational outcomes.

Further investment is required to improve Australia’s international standing in education. Currently our comparable performance in international education testing, like the Programme for International Student Assessment (PISA), is declining.

Nonetheless, there are strong examples of programs designed to support more children, and particularly vulnerable children, to access quality early learning. While these individual programs show promise, the greatest impact has been realised through universal platforms; the National Quality Framework and Universal Access to Preschool Education in the year before full-time schooling. These are the platforms that should be built and expanded upon to improve the state of early learning in Australia.

**MONITORING EARLY LEARNING**

Monitoring early learning is particularly important to understand and promote public policy and practice that improves outcomes for children and Australia’s future prosperity.

The OECD concluded (OECD, 2006, p. 176):

- A need exists in most countries for a systematic procedure to collect and provide consistent and comparable information on ECEC (early childhood education and care). Currently, the ministries responsible for young children use different indicators and diverse methods in collecting data on young children.

- Future data collections need to cover birth- to six-year-olds, and include all forms of provision (including parental leaves), regardless of administrative responsibility (education, health,
welfare, etc.), funding source (public, private or mixed), or setting (home, family day care, centre or school). Today, large data gaps appear in statistics addressing young children, and especially children under age three, as whatever data does exist is generally focused on three- to six-year-olds.

Australia still has substantial data gaps in relation to early learning. The Australian Bureau of Statistics only collects certain data regarding the number of children participating in early learning. Even where there are collections, some jurisdictions do not provide data, for example the number of three-year-olds attending preschool is not provided by certain jurisdictions. There is also a lack of local market data collected to help inform planning for early childhood services at the local level (Productivity Commission, 2014b, p. 176 and 2014c, pp. 711–713).

EARLY LEARNING POLICIES AND PROGRAMS

Investing in the Early Years—A National Early Childhood Development Strategy

The National ECD Strategy, Investing in the Early Years, was endorsed by COAG in July 2009 (COAG, 2009). Implementing the Strategy is a collaborative effort between all Australian governments to achieve the Strategy’s vision:

The shared vision of the Commonwealth and state and territory governments is that by 2020 all children have the best start in life to create a better future for themselves and for the nation (COAG, 2009, p. 4).

The Strategy focuses on how Australia’s early childhood development system should evolve to better meet the needs of children and families. It specifies seven key outcomes for children and families:

- families are confident and have the capabilities to support their children’s development
- quality early childhood development services that support the workforce participation choices of families (COAG, 2009, p. 22).

National Quality Framework (NQF)

The National Quality Framework (NQF) is a quality and regulatory framework applying to both traditional and stand-alone preschools/early education services, as well as long day care and other types of early childhood education and care (ECEC) services. The NQF delivers a higher standard of care for children in the critical areas of education, health and safety and provides clearer, comprehensive information for families so they can choose the best services for their child. It includes a compulsory National Quality Standard (NQS), comprising improved educator-to-child ratios, qualification requirements for all ECEC workers and a national quality rating system.

COAG National Partnership on Universal Access to Early Childhood Education

Since 2009, The Commonwealth Government has provided grants to the states and territories to deliver universal access to preschool for all children in the year before full-time schooling (YBFS). The program is delivered by a university-qualified early childhood teacher for 15 hours per week, 40 weeks a year in the YBFS (often referred to as ‘preschool’ or ‘kindergarten’). This is delivered across a diversity of settings, in a form that meets the needs of parents and at a cost that does not present a barrier to participation. In addition, children living in remote Indigenous communities have been identified as a specific focus for universal access, to have 95 per cent of Aboriginal and Torres Strait Islander children enrolled in a preschool program in the year before formal schooling.

The current funding for the national partnership agreement is due to expire at the end of 2017.

Early Years Learning Framework (EYLF)

A significant component of the NQS is the Early Years Learning Framework (EYLF) which provides parents, carers and educators with an overarching guide to learning and development in the years from birth to age five. Under the NQS, early childhood education and care providers use the EYLF in designing and delivering their early learning programs.
Government Child Care Assistance

Government Child Care Assistance consists of two mainstream payments, the means tested Child Care Benefit (CCB) and a non-means tested, but capped, Child Care Rebate (CCR). Each payment follows the child, but is provided to families through early childhood services to reduce the upfront cost of early childhood education and care (ECEC).

The current rate of CCB provides a maximum of $4.17 per hour (before loadings) for low income families and families receiving pensions or allowances in 2015–16. The rate reduces for families on higher incomes up to $152 147 for a family with one child in 2015–16. Families with multiple children receive more CCB than those with fewer children through a loading applied to income thresholds.

CCR provides up to 50 per cent of the out-of-pocket costs of early childhood education and care, after CCB, for each child up to $7500 per annum.

Both CCB and CCR payments and income thresholds are indexed to the Consumer Price Index (CPI).

Jobs, Education and Training Child Care Fee Assistance (JETCCFA) provides extra help with the cost of Child Care Benefit approved ECEC to support parents on income support payments while they undertake work, study or training to enable them to enter or return to the workforce.

Special Child Care Benefit (SCCB) provides 100 per cent fee relief for a child at risk of serious abuse or neglect, or a family with an exceptional case of short-term financial hardship which has substantially reduced their capacity to pay ECEC fees.

Budget Based Funded (BBF) Programme

The Budget Based Funded (BBF) Programme provides a contribution to the operational costs of approximately 300 ECEC and school aged care services in a limited number of approved locations. These services are predominantly located in regional, remote and Aboriginal and Torres Strait Islander communities where the market would otherwise fail to deliver services to meet the needs of children and their families (Australian Government, 2016a).

Jobs for Families Child Care Package

The 2015–16 Federal Budget proposed that CCB/CCR payments be replaced with a single payment provided directly to the ECEC provider.

This payment provides 85 per cent of the gross cost of ECEC (up to an hourly cap) to families with incomes below an expected adjusted taxable income of $65 710 by 2017–18.

This subsidy rate tapers to 50 per cent for families earning below $170 700 and remains at 50 per cent up to $250 000. For incomes on or above $250 000 the subsidy rate tapers away to 20 per cent at $340 000 and remains at 20 per cent.

An annual subsidy cap of $10 000 also applies to families earning more than $185 710.

SCCB and JETCCFA will be replaced by Additional Child Care Subsidy.

Other early learning

Parents are a particularly important influence on children’s development. The back-and-forth young children have with key adults—like conversations or playtime with their parents—build a healthy, responsive young brain. The partnership between parents, communities and early childhood professionals is optimal for enhancing children’s development in a uniquely formative stage of life.

Playgroups and other informal or formal play-based programs may also positively influence children’s development.

While many of these programs, which support children’s early learning through playgroups or parent support, are funded by government, there is no national data set in relation to children’s participation in these programs.
KindiLink (WA)

KindiLink is a play-and-learn initiative for Aboriginal three-year-old children who attend with a parent/carer at 37 selected schools. It is running as a pilot over the next three years and will be independently evaluated to inform future directions.

Kindergarten is for all four-year-olds, KindiLink is for three-year-olds attending with a parent/carer.

KindiLink provides six hours a week of high-quality play-and-learn sessions for children and parents/carers at the participating schools, at no cost to families. Parents are supported to be actively involved in the play-and-learn activities with their children.

KindiLink aims to boost children’s learning in the year before they start kindergarten and to forge strong and supportive links between home and school. The teachers and assistants who plan and deliver the sessions work alongside families to help them prepare their own children for success at school. KindiLink focuses on developing the social, emotional, language and cognitive capabilities of Aboriginal children.

While the Australian Early Development Census in 2012 showed that many Aboriginal children in Western Australia are doing well, it also showed that 49 per cent of Aboriginal children were vulnerable on one or more developmental domains compared with 21 per cent of non-Aboriginal children. Aboriginal vulnerability in WA at 49 per cent was higher than the national average of 43 per cent. Further, NAPLAN 2014 data shows that just 63.4 per cent of Year 3 Aboriginal students in WA public schools met the national minimum standard for reading compared with 92.8 per cent of non-Aboriginal students.

KindiLink is for Aboriginal children and families however, where capacity exists and local consultation occurs, non-Aboriginal children and families may be invited to join the sessions.

The sessions are planned and delivered by early childhood teachers and Aboriginal and Islander education officers using evidence-based programs and practices, including the Early Years Learning Framework.

Launching into Learning (LiL) (Tas.)

LiL provides resources to schools to develop and lead initiatives with families and their community to support children’s early learning prior to kindergarten. Schools focus on the needs of their community and make connections with other groups, services and agencies in the area (Tasmanian Government, Department of Education and Training, 2010).

LiL is based on the belief that parents are their child’s first, ongoing and often most influential teachers. Schools and families work together to give children the best start, leading to a smooth transition into kindergarten. All schools use the Early Years Learning Framework to plan strategies and programs to support the growth of the whole child including social and emotional development and early literacy and numeracy.

The program is also based on the principle that support and intervention before children begin school is likely to be more effective in achieving success than trying to do things to help children ‘catch up’ once they are at school.

Data analysed for 2013 Prep students show that 1382 students from 122 Tasmanian government schools regularly attended LiL in 2011. Change to the following results were observed:

1. The percentage of LiL students below the expected standard (in the Below range) in reading on Performance Indicators in Primary Schools (PIPS) first assessment was 9.9 per cent, about half that of non-LiL students (20 per cent), an improvement of 10.1 percentage points.

2. The percentage of LiL students below the expected standard (in the Below range) in maths on PIPS first assessment was 11.4 per cent compared to 18.1 per cent for non-LiL students, an improvement of 6.7 percentage points.

3. A greater proportion of LiL students performed at the highest level (in the Well Above range) on PIPS first assessment than non-LiL students (9.2 and 7.1 percentage points more in reading and maths respectively).
GOVERNANCE

Early learning is a shared responsibility across the Commonwealth and states and territories.

Like many countries the responsibilities of care and education in Australia have traditionally been split between the Commonwealth and states and territories. This has been partially addressed through the National Quality Agenda.

In Tasmania, the Australian Capital Territory and Western Australia, preschool is provided in the school system. The other jurisdictions provide funding for these preschool programs in either dedicated community preschools/kindergartens or long day care. Nationally, 47.4 per cent of children currently attend preschool in long day care (ABS, 2016a). Fees differ depending on the jurisdiction and service.

Table 1. Number of services by service sub-type (31 December 2015)*

<table>
<thead>
<tr>
<th>Service Sub-type</th>
<th>NSW</th>
<th>Vic.</th>
<th>Qld</th>
<th>WA</th>
<th>SA</th>
<th>Tas.</th>
<th>ACT</th>
<th>NT</th>
<th>Aust.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long day care</td>
<td>2790</td>
<td>1280</td>
<td>1438</td>
<td>614</td>
<td>346</td>
<td>117</td>
<td>134</td>
<td>80</td>
<td>6799</td>
</tr>
<tr>
<td>Preschool/kindergarten</td>
<td>813</td>
<td>1197</td>
<td>505</td>
<td>19</td>
<td>407</td>
<td>0</td>
<td>95</td>
<td>85</td>
<td>3121</td>
</tr>
<tr>
<td>Family day care</td>
<td>401</td>
<td>382</td>
<td>156</td>
<td>60</td>
<td>37</td>
<td>14</td>
<td>20</td>
<td>7</td>
<td>1077</td>
</tr>
<tr>
<td>Total</td>
<td>4004</td>
<td>2859</td>
<td>2099</td>
<td>693</td>
<td>790</td>
<td>131</td>
<td>249</td>
<td>172</td>
<td>10997</td>
</tr>
</tbody>
</table>

Source: ACECQA, 2016

*This does not include preschool/kindergarten services delivered in the school system in Tasmania and Western Australia.
State and territories

At the state and territory level, almost all governments have combined some or all of the child care functions with early childhood education. Early childhood education and child care functions still remain in separate portfolios and departments in Western Australia.

Under Australia’s federal system of government, state and territory governments have responsibility as regulatory authorities for the accreditation and licensing of ECEC services. These regulatory authorities are overseen by a statutory authority, the Australian Children’s Education and Care Quality Authority (ACECQA), which oversees the National Quality Framework, promotes quality practice and ensures national consistency in approaches to quality assessment.

Local government also plays a role in the delivery and planning of early childhood programs. While this report does not directly explore the role of local government, as a creature of state and territory governments, they are influenced by state government early childhood regulation and planning policies.

National bodies

The COAG Education Council provides a forum through which strategic policy on school education, early childhood and higher education can be coordinated at the national level and through which information can be shared and resources used collaboratively, to address issues of national significance.

The Education Council is made up of education and early childhood ministers from the Commonwealth and states and territories. The body makes the Education and Care Services National Law and Regulations and appoints the ACECQA Board. It also oversees the delivery of national projects and national partnership agreements providing funding for early childhood programs.

**CHILD DEVELOPMENT**

The first five years of every child’s life can unleash a lifetime of potential.

What happens during the first five years of a person’s life has a significant, lifelong impact. Investing in the early years of life pays off by preventing problems later on and increasing the potential of people to contribute as productive adults.

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**The Australian Early Development Census (AEDC) (Cth)**

The Australian Early Development Census (AEDC) is a population measure of how young children in Australia have developed by the time they start their first year of full-time school. The AEDC looks at groups of children in the community, not individuals.

The Australian Early Development Census (AEDC), formerly known as the Australian Early Development Index (AEDI), is an Australian Government initiative that helps create a snapshot of early childhood development that shows how young children in Australia have developed as they start their first year of full-time school.

The 2015 AEDC data collection was the third national collection, collecting data on 302,003 children in Australia representing 96.7 per cent of children in their first year of school.

The data collected from the AEDC helps governments and communities to understand what policies and practices are working and what could be improved to better support children and their families.

Teachers of children in their first year of full-time school complete a research tool, the Australian version of the Early Development Instrument, based on their knowledge and observations of the children in their class. The Australian version of the Early Development Instrument measures five important areas of early childhood development.

These five areas—also called domains—are closely linked to the child’s health, education and social outcomes as they grow into their adulthood:

- physical health and wellbeing
- social competence
- emotional maturity
- language and cognitive skills (school based)
- communication skills and general knowledge.

The Australian Government is working with state and territory governments and the Social Research Centre to implement the AEDC. Since 2002, the Australian Government has worked in partnership with eminent child health research institutes: the Centre for Community Child Health; Royal Children’s Hospital, Melbourne; and the Telethon Kids Institute, Perth to deliver the AEDC to communities nationwide.
In 2015 one in five children were developmentally vulnerable in one or more domain in their first year of formal schooling. Two in five Aboriginal and Torres Strait Islander children were vulnerable in one or more domain of childhood development.

Figure 2. Proportion of children vulnerable—Australian Early Development Census (2015)

Source: Australian Government, 2016c

The Northern Territory, Queensland and South Australia have more children that are vulnerable on one or more and two or more domains compared with other jurisdictions. However the level of vulnerability of children in these jurisdictions has improved since 2009.

Figure 3. Proportion of children vulnerable—Social competence AEDC domain (2015)

Source: Australian Government, 2016c

Nationally, developmental vulnerability in the social competence domain increased to 9.9 per cent in 2015, from 9.3 per cent in 2012. Children were more vulnerable in this domain in the Northern Territory, Queensland and South Australia.

Figure 4. Proportion of children vulnerable—Emotional maturity AEDC domain (2015)

Source: Australian Government, 2016c

The number of children developmentally vulnerable in the emotional maturity domain increased to 8.4 per cent in 2015, up from 7.6 per cent in 2012. Children in the Northern Territory, Queensland and South Australia were more vulnerable in this domain of child development.

Figure 5. Proportion of children vulnerable—Language and cognitive skills (school based) AEDC domain (2015)

Source: Australian Government, 2016c

Significant improvements have been made in children’s language and cognitive skills. The proportion of children who are developmentally vulnerable across the language and cognitive skills domain has decreased from 6.8 per cent in 2012 to 6.5 per cent in 2015. The Northern Territory, Queensland and Tasmania had more children developmentally vulnerable in this domain.
The impact of improving kindergarten participation (Qld)

In 2008, Queensland had the poorest enrolment rates in early childhood education in the year before full-time schooling in the country. Only 29 per cent of children were enrolled for at least one hour per week (Deloitte, 2014, p. 19).

As a result of the universal access initiative, this increased to 95 per cent of children enrolled in a preschool program for at least 15 hours per week in 2013 (Deloitte, 2014, p. 20).

Children’s participation in early learning is now correlating with improved developmental outcomes for the state’s children—particularly in literacy and numeracy skills.

Queensland’s AEDC results for the language and cognitive skills domain have improved dramatically. In 2009, 15.6 per cent of children were ‘developmentally vulnerable’. By 2015, this had halved to 8.0 per cent. The proportion of children ‘developmentally at risk’ more than halved, from 23.5 per cent in 2009 to 9.7 per cent in 2015.

More children that are benefiting from preschool are now reaching Year 3—the first year of NAPLAN testing. Of children reaching Year 3 in 2015, 65 per cent of students went to preschool.

The 2015 NAPLAN results were released in August 2015. While the story nationally was of scores generally plateauing for older children, the Year 3 results were more encouraging, particularly in reading. The big improver was Queensland. Since NAPLAN started in 2007, Queensland’s Year 3 results have now moved from the worst in the country to surpass those of all states except New South Wales and Victoria.

There have been two other major contributing factors:

- introduction of the Prep year in 2008 (this cohort was tested in Year 3 in 2011) which pushed up the age of children by a year and aligned school years with other states
- overhaul of the early years curriculum in Queensland schools.

However, a key factor was expansion of universal access to kindergarten for children in the year before full-time schooling. In the future this cohort of pre-schoolers with 95 per cent enrolment will reach Year 3, and the full impact of early learning may become clearer.
Starting Strong (OECD, 2006) made a number of recommendations to promote equality of relationship and strong continuity between early childhood provision and the education system:

- Early childhood services should be recognised, like compulsory schooling, as a public good and as an important part of the education process. All children should have a right to access quality ECEC services before starting school.

- A more unified approach to learning should be adopted in both systems, recognising the contribution that the early childhood approach brings to fostering key dispositions and attitudes to learning.

- Attention should be given to transition challenges faced by young children as they enter school, or transit from one type of service to another. There should be a greater focus on building bridges across administrative departments, staff training, regulations and curricula in both systems.

This approach was also supported in the Review of funding for schooling which found strategies to address educational disadvantage in school are most effective when integrated with, and complementary to, approaches to support early childhood development (Gonski, 2011, p. 113).

Most Australian jurisdictions have put an emphasis on programs that support children’s transition to school.

**Transition to school (NSW)**

The NSW Transition to School Statement is a practical and simple tool designed to make it easier for information to be shared between families, early childhood services and schools. It summarises the child’s strengths, identifies their interests and approaches to learning and suggests ways these can be supported.

The Statement is completed by the child’s early childhood educator in cooperation with the family. All information is provided voluntarily. The Statement is then communicated to the child’s intended school where it provides the school and teachers with information they can use in planning and preparing for the child’s arrival and transition into the new learning environment.

Use of the Statement is optional. Each service and family will make the decision about whether to prepare a Statement and the family will choose whether to make it available to the child’s intended school and teacher.

The NSW Transition to School Statement links to Quality Area 6 of the National Quality Standard, which emphasises collaboration between early childhood services and other organisations and service providers in order to enhance children’s learning and wellbeing.

**QUALITY**

**Quality standards**

Quality early learning for our children makes a quality future for Australia.

Starting Strong (OECD, 2006) recommended:

- to formulate regulatory standards for all forms of provision, supported by co-ordinated investment

- to promote participatory processes in defining and ensuring quality.

In Australia, the National Quality Framework is a strong foundation to reform other aspects of the early childhood education and care system—to increase access and ensure that benefits of quality ECEC are extended to all children.
In Australia, all early childhood services covered by the National Quality Framework are assessed and rated against the National Quality Standard (NQS).

Not all services are considered in scope of the NQS which means that governments expect different, and lower, standards for children attending occasional care, Budget Based Funded services and nanny services.

Since the introduction of the NQS, state regulatory authorities are still assessing services and in the December Quarter 2015, 74 per cent of services had a quality rating.

**Figure 8. Overall quality rating results by jurisdiction on 31 December 2015**

Source: ACECQA, 2016

The Northern Territory and the Australian Capital Territory have the highest proportion of services rated ‘Working Towards NQS’ suggesting that services need to improve the quality of services provided to children.

South Australia has the greatest number of services that have been rated ‘Exceeding’ the NQS. Traditionally South Australia has had a second early childhood teacher deployed in early learning centres which is a critical structural element supporting quality. Overall Victoria has the highest number of services meeting or exceeding the NQS.

It is concerning that services are more likely to be ‘Working Towards NQS’ in NQS Quality Area 1—Educational Program and Practice than in other quality areas. Greater attention on process quality is warranted by governments. Process quality refers to the quality of staff–child interactions. Greater understanding of what constitutes process quality might be addressed through research and professional development.

Services are beginning to be assessed for a second time, and it is expected that services will improve their quality ratings following efforts by services to continuously improve their quality.

**Early childhood professionals**

When it comes to the best start for our children, early childhood professionals and parents make a winning team.

Early childhood professionals have a unique contribution to creating high-quality programs and environments that boost vital developmental stages. Early learning centres represent a vital context of development and should be set up to optimise the potential for creating positive outcomes for all Australian children.

Starting Strong (OECD, 2006) recommended:

- Quality in ECEC depends on high-quality staff training and fair working conditions across the sector.
- Strategies are needed to recruit and retain a well-qualified, diverse, mixed-gender workforce and ensure a satisfying, respected and financially viable career in this field.

Australian research shows that children who attend an early learning program led by qualified early teachers are up to 40 per cent ahead of their peers in standardised testing by Year 3 (Warren & Haiksen-DeNew, 2013, p. 34).
Table 2. Proportion of paid primary contact staff in approved child care with a formal qualification (2013)

<table>
<thead>
<tr>
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<th>Qld</th>
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<th>Tas</th>
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<td>Certificate III or IV</td>
<td>42.7</td>
<td>44.0</td>
<td>49.3</td>
<td>42.6</td>
<td>35.5</td>
<td>45.8</td>
<td>45.4</td>
<td>60.2</td>
<td>44.4</td>
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<tr>
<td>Diploma or Advanced Diploma</td>
<td>37.4</td>
<td>43.1</td>
<td>37.6</td>
<td>44.8</td>
<td>45.4</td>
<td>44.8</td>
<td>38.8</td>
<td>32.2</td>
<td>40.1</td>
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<tr>
<td>Bachelor degree and above (f)</td>
<td>19.9</td>
<td>12.9</td>
<td>13.1</td>
<td>12.7</td>
<td>19.1</td>
<td>9.4</td>
<td>15.7</td>
<td>7.6</td>
<td>15.5</td>
</tr>
</tbody>
</table>

Source: SCRGSP, 2016

The number of qualified early childhood professionals continues to increase, following new qualification standards from 2012 which required all staff to hold at least a Certificate III qualification, with half diploma-qualified, and at least one degree-qualified early childhood teacher in centre-based early childhood services.

The Early Years Workforce Strategy 2013–2016 sets out a vision agreed by all governments in Australia to build and support the early childhood education and care (ECEC) profession both in the short term and into the future. The Strategy supports the implementation of the National Quality Framework, including the introduction of new qualification standards. The Strategy expires this year, though there are still significant remaining NQF milestones, including ensuring that there are at least two degree-qualified teachers in all centre-based early childhood services by 2020.

Early Childhood Degree Scholarship Program (ACT)

The Early Childhood Degree Scholarship Program provides financial assistance for gaining an approved early childhood teaching qualification to individuals who are either already working in or want to work in the ACT’s education and care sector.

Scholarship recipients are entitled to funding of up to $1500 per financial year to a maximum of $6000 over four consecutive years towards costs associated with attaining the early childhood teaching qualification, including:

- course fees
- purchased leave for study release or attendance at classes, residential schools or practicum placements
- course-required materials, equipment, text books and other learning aids, and learning support services such as tutoring.

Remuneration still remains a significant issue in attracting and retaining quality early childhood educators and teachers in the Australian early childhood sector. There is currently an equal remuneration case before the Fair Work Commission. It is likely that further government investment would be required to fund a wage outcome, without significant costs being passed on to families through price increases.
INVESTMENT

Our future depends on how we invest in our children today.

Early learning is a matter for Australia as a nation; it affects our country’s future prosperity, both social and economic. Using our national resources to create smarter early learning policies is a responsible way of assuring a stable and prosperous future for our country. If we invest now in the health and development of our children, the whole country will benefit.

The return on investment (ROI) from early learning is significant. PriceWaterhouseCoopers modelling shows that (PWC, 2014):

- The Benefits to GDP for children receiving a quality education and care program are $10.3 billion cumulative to 2050.
- The Benefits to GDP of increased participation of vulnerable children whose parents are in the lowest income bracket are $13.3 billion cumulative to 2050.

Starting Strong (OECD, 2006, p. 102) recommended:

- Substantial public investment by government is necessary to support a sustainable system of quality, accessible services.
- The coherence and quality of the early childhood system requires not only funding for services but also investment in the management infrastructure that is responsible for planning, regulation, evaluation, in-service training, monitoring and research.

Investment in early learning is a shared responsibility. The large majority of government investment in early learning comes from the Commonwealth in the form of subsidies to families to reduce the up-front cost of approved ECEC services. States and territories fund preschool/kindergarten, maternal child health and early intervention services.

Figure 9. Commonwealth expenditure in early childhood ($B)

Source: SCRGSP, 2015 & 2016

Overall investment continues to grow, and the Commonwealth Government has made a decision to invest an additional $3.2 billion over five years through its Jobs for Families Package.

The Australian Government is investing $840 million to continue to provide universal access to early childhood education in the year before school until 2017. This federal funding is provided to the states and territories.

Nonetheless, public funding of early learning still remains low compared with other countries and is diffused by competing policy aims, rather than child development as a primary focus.

Funding and policy settings should be aimed at improving participation in quality early learning and where the evidence suggests that this makes the greatest difference.
Abecedarian Approach Australia—
3a (NT)

The focus of the 3a approach is providing specific evidence-based techniques that advance the personal, social and academic achievements of very young children who, through local circumstances, may require additional attention and support to ensure success as they grow and learn.

Because it is vitally important to understand local context when seeking to implement any model program successfully, the core components of the Abecedarian Approach were reviewed and customised through sequential projects and activities that explored and adjusted content details to suit local conditions to form the Abecedarian Approach Australia or ‘3a’.

For example, the LearningGames® were redeveloped in consultation with Aboriginal communities through an adaptation and trialling process led by the Northern Territory Department of Education in collaboration with Professor Sparling and the Melbourne Graduate School of Education. The redeveloped games were published for use within remote and regional Aboriginal communities by Northern Territory Department, and are available under license to early educators working with Aboriginal families.

Each of the elements of 3a has been aligned with contemporary Australian early childhood policy, including The Early Years Learning Framework (EYLF) and the National Quality Standard (NQS).

3a is now used in a range of metropolitan, urban and regional settings in different parts of Australia, including within playgroups, long day care settings and kindergarten programs.
PARTICIPATION

The OECD, in *Starting Strong* (2006), encouraged countries to engage in a universal approach to access, with particular attention to young children below the age of three years and to children with special or additional learning needs.

*Universal access does not necessarily entail achieving full coverage, as at different ages and in different family circumstances, variation in need and demand for ECEC will necessarily occur* (OECD, 2006, p. 74).

The focus of programs aimed at improving the participation of children in early learning has been on four and five-year-olds in the year before formal schooling. The only targets that exist are for this age group.

Other early childhood programs and supports are provided for children, particularly at younger ages.

**Family Support Program**

The Family Support Program includes family services coordinators (social workers) and Allied Health (occupational therapists and speech pathologists). These three disciplines have been identified as having key roles in providing early intervention services to promote optimal child development outcomes. These roles complement other staff employed in children’s centres, including community development coordinators, care and education staff.

Family services coordinators (FSCs) work alongside centre staff and health workers utilising an interagency approach to help families develop and maintain safe, caring, connected and resilient relationships. They also provide advice and expertise on the effects of trauma, abuse and neglect to help increase the capacity and expertise of children's centres in responding to vulnerable children.

Speech pathologists (SPs) assist with all aspects of communication including speech, language, literacy, signs, symbols and gestures and can also assist with issues around eating and drinking. This is achieved through working with families and staff to build their capacity to promote children’s development in these areas.

Occupational therapists (OTs) support children’s optimal participation in and performance of daily activities. This may involve strengthening of play skills, fine and gross motor skills, concentration and self-regulation skills. This is achieved by providing adaptations to the environment, modification of tasks, opportunities to practise skills and educating and supporting significant others to support children in these tasks.

**Children’s Centres for Early Childhood Development and Parenting (SA)**

The South Australian Government has established 42 Children’s Centres for Early Childhood Development and Parenting since 2005. Children’s centres focus on children’s learning and development within the context of their family and community. Through a collaborative partnership approach, government and non-government agencies develop a multidisciplinary team who provide a combination of universal and targeted services for young children and programs designed to strengthen the capacity of families and the community to respond to children.

Children’s centres are based on a model of integrated practice, bringing together education, health, care, family and community development activities and family support services in order to best meet the needs of children and families.

Children’s centres remain central to the South Australian Government’s vision for improving outcomes for children and families. The centres are built on the understanding that parents and families provide the strongest, most reliable pathway to better outcomes for children.
Participation in early learning at younger ages has not been a focus of governments, other than for workforce participation.

The impacts of early childhood education and care for children from birth to two are mixed (AIHW, 2015, p. 26).

Government child care assistance has been provided on the basis of parental choice and eligibility rather than encouraging child participation.

As a result Australia has relatively low levels of access, particularly at younger ages. Key challenges for this age group include high costs and affordability as well as lack of availability of places (Productivity Commission, 2014b, p. 9, 2014c, p. 410).

Figure 12. Proportion of children attending Australian Government CCB approved ECEC from birth to two years of age (2015)

Early Start Kindergarten (Vic.)

Early Start Kindergarten supports early learning and development for high-risk children. In addition to kindergarten in the year before school, the Early Start Kindergarten grant provides eligible three-year-old children with access to kindergarten for free.

Eligible children include:

- children known to Child Protection including children referred from Child Protection to Child and Family Information, Referral and Support Teams (Child FIRST)
- Aboriginal children.

The overall number of children accessing Early Start has increased since 2009 with services being provided to a total of 791 children in 2014.

In 2014:

- 329 children known to Child Protection accessed Early Start—The Department of Education and Training (Vic.) estimates that this represents only 19.5 per cent of the eligible population.
- 462 Aboriginal children accessed Early Start, equating to approximately 37 per cent of eligible children.

Disadvantaged children particularly benefit from access to high-quality early learning programs at this age (AIHW, 2015, p. 26). It is therefore concerning that the Northern Territory has such a low participation rate for young children. However, many children attend non-approved services like Multi-Functional Aboriginal Childcare Services (MACS) which are not included in the above figure.

In the years before full-time schooling the duration children attend early learning (in years) is related to better intellectual outcomes (Sylva et al., 2004, p. 1). All children benefit from attending an early learning program from age three, if it is a quality program (AIHW, 2015, p. 25).
The Northern Territory and Western Australia have particularly poor rates of participation for the three-year-old cohort with only 47.3 per cent and 54.1 per cent enrolled respectively. High Aboriginal and Torres Strait Islander populations and issues of remoteness, high costs and affordability may play a role in increasing barriers to participation in these jurisdictions.

New South Wales has the highest rates of participation of three-year-olds at (78.7 per cent), followed by the ACT at (70.9 per cent). Overall participation of three-year-olds in Australia was 66 per cent.

Australia ranked in the bottom third of comparable countries for the enrolment of children in early childhood education at age three in 2013. Australia was 27 of 39 countries ranked by the OECD, with 62 per cent of three-year-old children enrolled in early childhood education in 2013. This includes both children enrolled in ECEC services (47 per cent) and preschool education (15 per cent).

The countries in which quality affordable early learning is available to families have the highest participation of children. Eighteen countries have a legal entitlement to access, including at younger ages.

Source: OECD, 2015
If Australia is to improve its performance in international education testing then extending universal provision to ages younger than the year before school must be a priority.

Australia is falling behind other OECD nations in education on Programme for International Student Assessment (PISA) results for young people aged 15 years. In the latest PISA testing Australia dropped from 15th to 19th in mathematical literacy, 10th to 16th in scientific literacy and 9th to 14th in reading literacy (OECD, 2013).

PISA analyses also show that in most countries, students who had attended at least one year of early learning perform better than those who had not, accounting for students’ socioeconomic background (OECD, 2015, p. 326). PISA research also shows that the relationship between early learning and performance ‘tends to be stronger in school systems with longer duration pre-primary education, smaller child-to-teacher ratios in pre-primary education and higher public expenditure per child at the pre-primary level’ (OECD, 2015, p. 326).

Figure 15. Enrolment rates (percentage) at age four in early childhood education (2013)
The rate of children’s participation in the year before formal schooling (YBFS) in Australia is far higher than at younger ages.

Australia has had significant success in improving the enrolment of four-year-old children through the National Partnership on Universal Access to Early Childhood Education.

COAG usually looks at the year before full-time schooling, which is used to evaluate the outcomes of the National Partnership Agreement. We have chosen the more objective measure of children aged four, used by the OECD.

The proportion of children enrolled in preschool education at age four is heavily affected by school entrance ages which differ in each jurisdiction. Nonetheless, children benefit from access to early learning at age four.

Research suggests that one of the barriers to the enrolment of Aboriginal and Torres Strait Islander children in early childhood services is discrimination (Biddle, 2011).

Affordability of preschool early learning programs may still be a significant barrier in some jurisdictions. The ACT, which has free public preschool provision, has the highest enrolment of children.

Figure 17. Enrolment rates of Aboriginal and Torres Strait Islander children at age four in early childhood education (2015)

Most jurisdictions have reached close to full enrolment in the year before formal schooling, with the exception of New South Wales which lags behind other jurisdictions in providing children with access to the full duration of 15 hours of preschool. Tasmania has the lowest participation rates of four year old children, which reflects a later school starting age.

While most states and territories are meeting the universal access targets, there are still some children that are not enrolling for a range of reasons, particularly Aboriginal and Torres Strait Islander and other ‘hard to reach’ children. Only 81.2 per cent of Aboriginal children and Torres Strait Islander children are enrolled (SCRGSP, 2016).
Pre-purchased kindergarten places pilot: Ensuring places are available for children who enrol late (Vic.)

Children experiencing vulnerability and disadvantage have the most to gain from high-quality early childhood education, but are more likely to miss out. While Victoria provides a number of grants to support children to attend kindergarten, there are not always places available for children if they enrol late. To address this, in 2016 the Victorian Government has ‘pre-purchased’ kindergarten places in participating services across the state, reserving them for the children who need them the most.

These places entitle children to 15 hours of kindergarten per week with a qualified teacher and are immediately available for eligible children who enrol late, at no cost to families.

As of March 2016, a total of 569 pre-purchased places have been allocated across 196 services based in 42 local government areas.

Koorie Kids Shine at Kindergarten: A successful awareness raising campaign

Victoria has a high kindergarten rate of 96.4 per cent (in 2014) however Aboriginal and Torres Strait Islander children are more likely to miss out. The Victorian Government has made concerted efforts to close the gap, raising the kindergarten participation rate for Aboriginal children from 62.0 per cent in 2008 to 79.6 per cent in 2014.

The Koorie Kids Shine at Kindergarten campaign complements the range of measures used to improve participation. It aims to raise parents’ and communities’ awareness of the benefits and supports available to families in accessing early childhood education, from grants to assistance with enrolment processes. Promotional materials have been developed including posters, fact sheets and digital stories featuring Aboriginal Elders and families whose children are benefiting from free kindergarten.

The campaign is designed to address Aboriginal parent and carer concerns regarding the cultural inclusiveness of kindergarten programs and also promote cultural awareness and inclusiveness amongst kindergarten service providers.

CONCLUSION

The state of early learning in Australia must improve to build Australia’s future prosperity.

The next release of this report will reflect on trends against each of the data sets in this report.

This will also enable an analysis of the measures undertaken by each jurisdiction to improve on this baseline.

We hope to celebrate the successes of jurisdictions in improving the quality, participation and affordability of early learning and the ultimate goal of improving children’s developmental outcomes.

If Australia invests in children’s development this will not only lift Australia’s educational performance but boost Australia’s future prosperity—from which everyone benefits.
REFERENCES


