Early Learning: Everyone Benefits is a national 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, community organisations and individuals.


TERMS USED IN THIS REPORT

Disadvantage in this report refers to low socioeconomic status. The report uses the Index for Relative Socio-Economic Disadvantage (as used in the Australian Early Development Census). This index uses Australian Census information such as low income, low educational attainment, high unemployment and jobs in relatively unskilled occupations to determine an area's relative disadvantage.

Early childhood education and care (ECEC) refers to all education and care services provided to children in the early childhood years from birth to eight. The focus of this report is on early education and care prior to starting school.

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).

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

Early learning occurs in formal settings and at home, in relationships with family members, caregivers and educators.

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

Preschool program means a structured, play-based early childhood education program delivered by a degree-qualified early childhood teacher. Preschool programs are delivered in a variety of settings.

National Partnership Agreement on Universal Access to Early Childhood Education is a federal–state agreement that commits the Federal Government to fund states and territories to provide all Australian children with access to a preschool program for 15 hours per week, or 600 hours per year, in the year before they start school.

Universal access means services that are available to all children, irrespective of their particular circumstances.

The following abbreviations are made in this report:

NSW New South Wales
Qld Queensland
WA Western Australia
Vic. Victoria
Tas. Tasmania
SA South Australia
NT Northern Territory
ACT Australian Capital Territory
Cth Commonwealth
Aust. Australia
OECD Organisation for Economic Co-operation and Development
AEDC Australian Early Development Census
NQF National Quality Framework
NQS National Quality Standard
EYLF Early Years Learning Framework
BBF Budget Based Funded services
FDC Family day care
OSH Outside school hours

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Every care has been taken in the preparation of this report but the authors cannot be held responsible for the accuracy of the information herein or any consequence arising from it.
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Partners
Early Childhood Australia (ECA)
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Family Day Care Australia
Goodstart Early Learning
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UnitingCare Australia
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The Parenthood
Australian Community Children’s Services (ACCS)
**Investing early and sufficiently, including everyone, and leveraging synergies with other sectors is the best way to reap the benefits of education** (Gordon Brown, Chair, International Commission on Financing Global Education Opportunity, United Nations Special Envoy for Global Education).

**INTRODUCTION**

The state of early learning in Australia must improve to ensure our youngest Australians get the best possible start in life. As part of the Early Learning: Everyone Benefits campaign, the State of early learning in Australia 2017 is the second report in a series tracking progress across a range of different early childhood education and care (ECEC) outcome measures.

This report has built on the inaugural State of early learning in Australia report 2016 (ECA, 2016) and, where possible, has reflected on trends emerging in the data from this baseline. It takes a closer look at how Aboriginal and Torres Strait Islander children and those from disadvantaged backgrounds are faring, and examines progress made through the National Partnership Agreement on Universal Access to Early Childhood Education (COAG, 2009b, 2013, 2015, 2016).

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.

The State of early learning in Australia 2017:

- provides a high-level snapshot of quality, participation and investment in ECEC in Australia
- highlights areas of improvement by state and territory governments and the Commonwealth
- expands upon existing datasets already publicly available
- brings together existing public data in a short and accessible format.

Data presented in this report is drawn from the latest information available, where available. It is important to note that not all datasets are directly comparable.

Through this report, the Early Learning: Everyone Benefits campaign seeks to provide a clearer picture of how far Australia has come, where we are doing well (and not so well), and where we need to focus our efforts.

High-quality and affordable early learning opportunities should be a reality for all children in Australia. Not only will this benefit children and their families now, it will help build a more inclusive, capable and prosperous Australia for the future.

**EXECUTIVE SUMMARY**

Quality early education can set a child up for life, allowing them to develop to their full potential. As such, ensuring all children have the best possible start is one of the most valuable investments a country can make.

For Australian children to thrive in a global and rapidly changing world, they will need to be effective lifelong learners. Child development research has led to an increasing awareness of the importance of engaging developing brains at this formative life stage. The skills that children will need are developing well before the transition to school at age five or six years. Language and problem-solving develop from birth; and self-regulation, creativity and collaboration with others develop throughout the early years. These skills can be amplified by high-quality programs that provide rich learning environments and age-appropriate, play-based programs. We now know that early childhood education sets the right foundations for lifelong learning and longer term engagement in education.

Access to high-quality early education is also an incredibly powerful means of transcending disadvantage.

In Australia, research shows a strong correlation between socioeconomic status and developmental vulnerability at the start of school. The Australian Early Development Census (AEDC) indicates that one in five children start school developmentally vulnerable; however, this number increases to two in five for Aboriginal and Torres Strait Islander children (Australian Government, 2016). In a country that values education and has the resources to invest in the early years, we can, and should, do more to overcome disadvantage.

Quality early learning helps all children develop the skills they need for lifelong learning and a successful transition to school, regardless of their background or family circumstances.
The growing gap between the most advantaged and least advantaged children, in both learning and wellbeing creates significant challenges for an education system already struggling to reduce the gap in achievement. Unequal access to early education and a difficult transition into primary school also contributes to increased risks of early disengagement from school and reduced wellbeing.

High-quality, developmentally appropriate early education prior to school must be a core component of national investment to secure the health, wellbeing and education of our children and to secure positive futures for them and for the country.

While Australia has lagged behind comparable countries over recent decades, the National Partnership Agreement on Universal Access to Early Childhood Education (National Partnership Agreement) was a significant turning point. This long overdue investment from governments to provide all Australian children with access to 600 hours of preschool education in the year before full-time school has paid off enormously.

Since this agreement came into effect, there has been real progress in relation to participation in early learning in the year before full-time school, with 91 per cent of children enrolled in preschool for more than 600 hours per year in 2015—significantly up from just 12 per cent in 2008, prior to the National Partnership Agreement (Australian Government, 2017c). This shows what can be achieved when Commonwealth, state and territory governments work together. Despite this progress, there is still much more to do.

The participation of three-year-olds in early learning in Australia is lagging behind the rest of the developed world. Research indicates that two years of a high-quality preschool program delivers better outcomes than one year, especially for children who are developmentally vulnerable. Now is the time to not only continue the commitment to universal access for preschool programs in the year before school, but extend that access to high-quality, age-appropriate and play-based early education programs for three-year-olds.

**ENROLMENT IN 600 HOURS OF PRESCHOOL ACROSS AUSTRALIA**

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>12%</td>
</tr>
<tr>
<td>2015</td>
<td>91%</td>
</tr>
</tbody>
</table>

Funded by the National Partnership Agreement, this includes four and five-year-olds in the year before school, who are enrolled in a preschool program for 600 hours per year and taught by a degree-qualified early childhood teacher in a long day care centre or sessional preschool.

Source: Australian Government, 2017c
Participation of Aboriginal and Torres Strait Islander children in the year before school is still lower than Australian children overall, and children from disadvantaged backgrounds are still much more likely to arrive at school developmentally vulnerable.

Although the National Quality Framework (NQF) (ACECQA, 2012) has laid a solid foundation on which to build quality in the sector, the process of assessing all early learning and care providers has taken time, reducing its effectiveness as a driver of continual improvement. Under the NQF, 88 per cent of services have been assessed, with 73 per cent receiving a rating of ‘meeting’ or ‘above’ the National Quality Standard (NQS) (ACECQA, 2017b). Of those that have been reassessed, 61 per cent improved their rating (ACECQA, 2017b). However, a number of services, such as some mobile services and government preschool programs in certain states continue to sit outside the NQF.

The benefits of providing access to high-quality early learning for all children are widely distributed, helping to build a more capable, productive and inclusive society.

However, Australia’s political system can make it challenging to achieve reform. State and territory governments share responsibility for early childhood education with the Commonwealth Government. Early education systems across each state and territory are varied—due mainly to historical reasons—and have differing proportions of community, private and state education department providers.

In addition, competing policy objectives create complexity for policy implementation. For example, the recently introduced Commonwealth Government’s Jobs for Families Child Care Package, which centred on reform of the childcare subsidy scheme, has a focus on the workforce participation of parents, whereas the NQF focuses on improving early learning outcomes, and the National Partnership Agreement focuses on building participation in early learning. Unaligned policy objectives can result in tensions—such as between raising standards of care and ensuring child care is affordable—or deliver adverse policy outcomes; for example, when eligibility requirements for funding reduce access to early learning.
The ECEC sector is also very complex, with a diverse mix of funding streams (Australian Government, states, territory and local government, families), provider types (for profit, not-for-profit, government, community managed, private schools) and delivery settings (long day care, family day care, sessional preschool, school-based). There are strengths to this diversity, but it can create challenges for coherent policy. There is also significant discontinuity between ECEC and school policy, with potential for improvements in how children are supported to transition from early learning settings into school.

We must do a better job of building a system that offers the best opportunities for our young children, in high-quality settings; a system that can deliver two years of quality preschool programs and access to quality early learning to all Australian children during their crucial first five years of early development, whether they live in the inner city or in remote communities, not only for the benefit of those children, but for the benefit of everyone.

**Report snapshot**

**Child development**

- The Australian Early Development Census (2016) data shows that in 2015 one in five Australian children were vulnerable in one or more key areas of development.
- Two in five Aboriginal and Torres Strait Islander children were vulnerable in one or more key areas of development.
- Children from disadvantaged backgrounds are more than twice as likely to be developmentally vulnerable at the start of school.
- The effect of disadvantage is evident across all key areas of development, and is not changing over time.
- Overall there has been little change in the proportion of developmentally vulnerable Australian children since 2009.

**Participation**

- Across Australia in 2015:
  - 35 per cent of children aged birth to two years participated in early education and care
  - 62 per cent of three-year-olds participated in early education and care
  - 89 per cent of four-years-olds are enrolled in preschool.

**International comparisons**

- Australia ranks below the OECD average for the participation of three-year-olds in ECEC.
- Australia also ranks below the OECD average for the participation of four-year-olds in ECEC, though has had the fastest growth of any OECD country over the past decade.

**Progress towards national target for preschool enrolment**

- At 91 per cent in 2015, Australia was within reach of the participation target set by the National Partnership Agreement—95 per cent of children enrolled in preschool for 15 hours or more per week in the year before full-time school.
- All states and territories, apart from New South Wales, met the 95 per cent target in 2015.
- New South Wales, the most populous state in Australia, had only 77 per cent of its children participating in preschool for more than 15 hours per week in the year before full-time school in 2015, but this was up from 59 per cent in 2013.
Aboriginal and Torres Strait Islander children
- Aboriginal and Torres Strait Islander children are almost twice as likely as non-Aboriginal and Torres Strait Islander children to be developmentally vulnerable in four of the five areas of development.
- Aboriginal and Torres Strait Islander children are four times more likely to be developmentally vulnerable in language and cognitive skills.
- Enrolment rates of Aboriginal and Torres Strait Islander children in preschool programs in the year before full-time school still lag behind those of non-Aboriginal and Torres Strait Islander children in New South Wales and Queensland.

Quality
- At the end of March 2017, 88 per cent of services had been assessed against the NQF.
- 73 per cent of services now have a quality rating of meeting or above the NQS.
- Of the services that have been reassessed, 61 per cent received a higher rating on reassessment.
- In 2013, only 8 per cent of services were rated as ‘exceeding’ the NQS; by 2016 that figure had risen to 26.2 per cent.
- Some services continue to sit outside the NQF including Budget Based Funded (BBF) services and government-run preschools in Tasmania and Western Australia.

Workforce
- The number of qualified early childhood professionals continues to increase, with 16.6 per cent of the workforce holding a Bachelor’s degree in 2016, 43.5 per cent holding a Diploma or Advanced Diploma and 40 per cent holding a Certificate III or IV.

Sector
- At the end of March 2017 there were 15,593 ECEC services operating in Australia, of which 11,200 provide services to children in the years before school.
- Of those, 63 per cent were long day care centres, 28 per cent were preschools or kindergartens and 9 per cent were family day care centres.
- Long day care centres are the most common provider type in all states and territories except South Australia.

Investment
- Total Commonwealth, state and territory government expenditure on ECEC services was $9.1 billion in 2015–16, compared with $8.8 billion in 2014–15.
- Of this, Commonwealth Government expenditure accounted for $7.4 billion (82.1 per cent) delivered mainly through the childcare subsidy system and National Partnership Agreement.
- Commonwealth Government spending on early childhood services has grown rapidly over the past decade. Rising from $2.9 billion in 2006–07 to $7.4 billion in 2015–16.
- State and territory government spending on early childhood services has also seen a general upwards trend, however it should be noted this has included funding received from the Commonwealth through the National Partnership Agreement.
- State and territory government expenditure in 2015–16 accounted for $1.6 billion, with preschools accounting for 83 per cent of that expenditure.
- Western Australia and South Australia spend the greatest proportion of total budget expenditure on early childhood services at 1.2 per cent. New South Wales spends the lowest proportion, at only 0.4 per cent.
- When it comes to per child spending on early childhood services, the Northern Territory spends the most, at $1,116 per child aged birth to 12 years. Again, New South Wales spends the least, with $246 per child.
HOW CHILDREN ARE DEVELOPING IN AUSTRALIA

The first five years of every child’s life can unleash a lifetime of potential. What happens during those early years has a significant, lifelong impact. All children need the right support and foundation to develop cognitive, social and emotional skills.

There has been an explosion of research on brain development in the early childhood years, and the role that children’s relationships with others play in their learning and development (Center on the Developing Child at Harvard University, 2010; National Scientific Council on the Developing Child, 2012).

This research highlights the potential for high-quality early learning environments to engage children at the age when their brains are most receptive to learning critical foundational skills. Neuroscience research indicates that children are primed to learn specific types of things at certain ages, and analysis shows peak brain activity occurs at very early ages—well before five or six years of age when formal schooling generally commences in Australia.

Early childhood education also plays a key role in preparing children for a successful transition into the early years of school by building skills that underpin school learning objectives. This is particularly important for children from disadvantaged backgrounds who are more at risk of starting school developmentally vulnerable (Australian Government, 2016).

Strengthening child development outcomes is a policy priority for all Australian governments, and a key rationale for the $9 billion investment governments have collectively made in early childhood education and care in 2015–16.

Many children in Australia are developing well, however key cohorts, such as children from disadvantaged backgrounds and Aboriginal and Torres Strait Islander children, are at much greater risk of starting school behind their peers, doing poorly or dropping out of education early without the skills they need to go on to tertiary education or vocational training. This has an impact on lifelong wellbeing across social and economic domains with increased risks of long-term unemployment, poverty, mental health issues and family or relationship difficulties.

The Australian Early Development Census (AEDC)

The 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. It looks at groups of children in the community, rather than individuals. The most recent AEDC undertaken in 2015 (Australian Government, 2016) was the third national collection, with data on 302 003 children in Australia representing 96.7 per cent of children in their first year of school. Previous collections occurred in 2012 and 2009.

How and what is measured

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.

Five important areas of early childhood development—also called domains—are assessed:

- **Physical health and wellbeing** assesses children’s physical readiness for the school day, physical independence and gross and fine motor skills.
- **Social competence** assesses children’s overall social competence, responsibility and respect, approach to learning and readiness to explore new things.
- **Emotional maturity** assesses children’s pro-social and helping behaviours and absence of anxious and fearful behaviour, aggressive behaviour and hyperactivity and inattention.
- **Language and cognitive skills (school-based)** assesses children’s basic literacy, interest in literacy, numeracy and memory, advanced literacy and basic numeracy.
- **Communication skills and general knowledge** assesses children’s communication skills and general knowledge based on broad developmental competencies and skills.

For each of the five domains, children are given a score between zero and 10, where zero is the most developmentally vulnerable.

Using the 2009 data as a benchmark, children falling below the tenth percentile in each domain were characterised as ‘developmentally vulnerable’. Children falling between the tenth and twenty-fifth percentiles were categorised as ‘developmentally at risk’.

All other children were deemed to be ‘developmentally on track’.
WHAT DOES THE AEDC SHOW?

In 2015 a staggering one in five Australian children were developmentally vulnerable in one or more domain(s) of childhood development in their first year of formal schooling.

Two in five Aboriginal and Torres Strait Islander children were vulnerable in one or more domain(s) of childhood development.

Overall, there has been little improvement across the board in the three iterations of the AEDC, with the proportion of children developmentally vulnerable in 2009, 2012 and 2015 looking strikingly similar.

The Northern Territory and Queensland have a higher proportion of children that are vulnerable in ‘one or more’ and ‘two or more’ domains compared with other jurisdictions.
The proportion of children developmentally vulnerable in physical health and wellbeing increased to 9.7 per cent nationally in 2015, from 9.3 per cent in 2012. Children in Queensland, the Northern Territory and the Australian Capital Territory were more vulnerable in this domain, as a proportion, than other jurisdictions.

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

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.
A closer look at each developmental domain over time indicates that there has been a significant decrease in the number of children vulnerable in the language and cognitive skills (school-based) domain from 2009 to 2015. This may be linked to significant increases in preschool participation in some jurisdictions between 2009 and 2015; it may also be a result of greater focus on ‘school readiness’ in recent years. Further research is needed to establish which, if any, of these potential factors have had an impact.

At the same time we can see slight increases in the proportion of children developmentally vulnerable in the physical health and wellbeing and social competence domains.
These findings show we need to do more to address the effect of disadvantage on children’s early development, and to see improvements across the board.

This graph above indicates that children who attend some form of early childhood education before starting school are half as likely to have developmental vulnerabilities in one or more domain(s) when they start school, in comparison to children who have not accessed early learning.
The benefits of early learning for children

There is a strong body of evidence that early learning delivers significant educational, social and emotional benefits for the children who participate—research from the AEDC shows that children who attend early education and care services are less likely to be developmentally vulnerable across all five developmental domains (Brinkman, Gregory, Goldfeld, Lynch & Hardy, 2014). Similarly, playgroup attendance benefits children across all domains of early childhood development (Gregory, Harman-Smith, Sincovich, Wilson & Brinkman, 2016, p. 28).

Australian research shows that children who attend an early learning program led by qualified early childhood teachers are up to 40 per cent ahead of their peers in standardised testing by Year 3 (Warren & Haisken-DeNew, 2013, p. 34).

The United Kingdom’s Effective Provision of Pre-school Education (EPPE) study found that by age 16, students who spent two to three years in quality ECEC had higher total scores in secondary exams, better grades in English and mathematics, and participated in more subjects/exams in secondary school. High-quality preschool was a predictor of social and emotional outcomes at age 16, with small, but consistent effects on self-regulation, pro-social behaviour and hyperactivity (Taggart, Sylva, Melhuish, Sammons & Siraj, 2015).

The OECD finds a consistent link between participation in pre-primary education and success in the Program of International Student Assessment (PISA) in mathematics, literacy and science. A child with no pre-primary education is 1.9 times more likely to perform poorly in education than a student who has attended more than a year of pre-primary education, even after controlling for socioeconomic status (OECD, 2016, p. 80).

PARTICIPATION

A key indicator of how Australia is faring in early learning is the level and pattern of children’s participation across the country.

By looking at the proportion of children accessing early childhood services in different jurisdictions and at different ages, and at the changes over time, a picture emerges of where we are improving and where we may be falling short.

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

Universal, non-compulsory provision of ECEC means services are available to all children and accessible for all families; participation or investment is not restricted to children in particular circumstances (whether that is working families or children experiencing disadvantage).

A universal approach is non-stigmatising and has the best opportunity to reach all children who will benefit most from access to high-quality early education and care. It supports diversity by providing opportunities for children from different backgrounds to interact and involves significant economies of scale for factors such as regulation, workforce and availability of services within neighbourhoods.

A universal approach also shapes social norms around participation and community support for early education. This can significantly boost participation in ECEC for children experiencing disadvantage, although some families experiencing highly challenging life circumstances are likely to require additional support to address financial and other barriers to access.

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).
In Australia, to date, the focus of policies aimed at improving the participation of children in early learning has been on four and five-year-olds in the year before full-time schooling, with the only formal targets for participation in preschool programs.

Other early childhood programs and financial supports are provided for children at younger ages. However, participation in early learning for children three years and younger has not been a primary focus of governments, other than to facilitate workforce participation. Commonwealth Government childcare assistance has been structured on the basis of parental choice and eligibility, rather than on how it can best promote the educational and developmental benefits for children that come with participation in early learning.

As a result, Australia has relatively low levels of participation in ECEC compared to other OECD countries. Key challenges include affordability as well as a lack of available places (Productivity Commission, 2014a, p. 9; 2014b, p. 410).

BIRTH TO TWO-YEAR-OLDS

Figure 11. Proportion of children attending Commonwealth childcare subsidy approved ECEC from birth to two years of age (2016)

Source: ABS, 2017b; SCRGSP, 2017

Across Australia roughly one third of children from birth to two years participate in early childhood education and care. The Australian Capital Territory has the highest rate of birth to two-year-olds attending early learning, likely reflecting city characteristics such as higher market wages and greater workforce participation.

Highly disadvantaged children can benefit from access to high-quality early learning programs at this age (AIHW, 2015, p. 26). In jurisdictions such as the Northern Territory, where participation rates are low, families may be more heavily impacted by the fee for service that is required for participation. In addition, the lower participation rate may be impacted by the many children who attend services that do not qualify for the Commonwealth rebate scheme, like Multifunctional Aboriginal Children’s Services (MACS) and playgroups, and are therefore not included in Figure 11.

Across Australia around 35 per cent of children attended playgroup prior to starting school in 2015, and attendance is higher among children living in regional and remote areas. Research shows playgroup participation is beneficial to all children from a range of backgrounds, and those who did not attend were more likely to be developmentally vulnerable at school entry. In fact, after adjusting for socioeconomic and demographic differences, children who did not attend playgroups were more than 1.7 times more likely to be developmentally vulnerable in one or more AEDC domains (Gregory, Sincovich, Harman-Smith & Brinkman, 2017).
High-quality early learning

In Australia, all early learning settings are guided by an early education curriculum framework which articulates outcomes and approaches to learning that are appropriate for young children. It emphasises the importance of children’s identity and wellbeing, their confidence as communicators and learners, the importance of fostering their natural curiosity about the world, and their skills as explorers and problem solvers. *Belonging, Being and Becoming: The Early Years Learning Framework for Australia (EYLF)* was developed in 2009 by the Commonwealth, and state and territory governments, with input from the early childhood sector and early childhood academics (DEEWR, 2009). Some jurisdictions, such as Victoria, have chosen to develop their own framework (State of Victoria, Department of Education and Training, 2016).

The *Early Years Learning Framework* is enshrined within the NQF, which establishes clear requirements for all early education services for everything from staffing ratios to appropriate physical environments. Australia’s early years learning frameworks reflect the evidence that high-quality early learning must be age-appropriate, with learning opportunities grounded in play and exploration, supported by warm and responsive interactions with adults, and scaffolded by qualified educators able to intentionally extend each child’s development, thinking, skills and capabilities.

While increased recognition of the importance of early learning to boost children’s educational outcomes is welcome, as is the focus on improving the quality of the experience for children, it will not achieve the desired impact if the result is a pushing down of curriculum and the use of teaching approaches designed for older children. To be high quality, early education must be age appropriate.
Case study—Gowrie Victoria

Gowrie Victoria caters for birth to five-year-olds in their Docklands early learning centre in metropolitan Melbourne. Rated ‘excellent’ under the National Quality Standard, the service delivers a teacher-led preschool program for three to five-year-olds through intentional teaching in a play-based setting.

Intentional teaching involves engaging with children in deliberate, purposeful and thoughtful interactions that promote and extend learning through experiences, using strategies such as modelling and demonstrating, open questioning, speculating, explaining and engaging in shared problem-solving. Opportunities for explicit intentional teaching are woven into the program and children engage with ‘concrete, real world materials’ to support the learning process.

As children between three and five years demonstrate a growing interest in their peers, much of the learning that occurs is social and collaborative, as children acquire the language and social skills to negotiate and exchange ideas.

Quality early childhood environments provide lots of opportunities for both social and solitary play. Docklands considers the outdoor environment to be equal in value to the indoor environment, and respects children’s right to choose throughout the day where they would like to learn. That autonomy extends to choosing the activities in which they engage.

Learning begins at birth, and children at Docklands learn at a level appropriate to their current developmental stage. By having a high level of input into their activities, children see learning as a positive and fun experience. Through small group and individualised interactions, educators encourage children to question the world around them, develop their ability to state their opinion, which in-turn boosts their self-esteem, assertiveness and communication skills.
THREE-YEAR-OLDS

Research shows participating in a preschool program for two years, rather than one, has the greatest impact on a child’s outcomes. For disadvantaged children in particular, one year of preschool does not appear to be adequate for closing achievement gaps that are already present at age four (Fox & Geddes, 2016).

This means three-year-olds should be a key target for increased participation in high-quality early education. However in Australia the policy focus has been on the year before full-time school for the delivery of preschool programs, and on meeting family needs with regards to workforce participation at younger ages. While some services are providing early education programs for three-year-olds with a qualified early learning teacher, the reach of this is limited and there is clearly room to improve the access to early education for three-year-olds in Australia.

The following chart shows the proportion of Australian three-year-olds attending any form of ECEC that is approved for Commonwealth childcare subsidies. This includes all children in long day care and family day care, some of which may be participating in a preschool program in a long day care setting. However, due to a lack of accurate data it does not include those attending sessional preschool.

Figure 12. Proportion of three-year-olds attending Commonwealth childcare subsidy approved ECEC (2016)

As the OECD comparison on page 18 (Figure 13) shows, Australia has relatively low levels of participation in ECEC at age three compared to other OECD countries.

The OECD categorises education according to internationally comparable levels, with ISCED 01 referring to early childhood education and development, and ISCED 02 referring to pre-primary education or preschool.

In 2014 (latest available data) Australia ranked in the bottom third of the OECD for the enrolment of children in ECEC at age three, with enrolment rates of just 15 per cent in a preschool program (ISC 02 level) and 54 per cent in centre-based early learning (ISC 01 level). It also ranked well below similar countries such as the United Kingdom and New Zealand.
The countries in which quality, affordable early learning is available to families have the highest participation of children. Not only does Australia compare unfavourably in terms of participation overall (below the EU 22 and OECD average), it also has a much lower proportion of three-year-old participation in a preschool program.

### FOUR-YEAR-OLDS

Overall, the participation rates of four-year-olds in early education in Australia is much higher than three-year-olds.

Figure 14 includes all four-year-olds attending Commonwealth childcare subsidy approved ECEC. This includes all children in long day care and family day care, some of which may be participating in a preschool program in a long day care setting. However, it does not include those attending sessional preschool, or preschool within a school setting as offered in South Australia, Tasmania, the Northern Territory and the Australian Capital Territory. Consequently, attendance rates of four-year-olds at childcare subsidy approved centres are lower than those for three-year-olds.

Source: SCRGSP, 2017
From 2015 to 2016 the proportion of four-year-olds enrolled in preschool across Australia overall rose from 86 to 89 per cent. New South Wales, Victoria and Tasmania all saw modest increases. Queensland, Western Australia and the Australian Capital Territory have all reached close to full enrolment for four-year-olds.

It is important to note that using 'year before full-time school cohort' is a more accurate way to measure preschool participation in Australia, as different school starting ages across the country can imply low attendance. For example, Tasmania’s participation rates for four-year-old children in preschool appear low at 71 per cent, however this reflects a later school, and preschool, starting age. Data for the 'year before school' cohort can be found under the section in this report that outlines progress under the National Partnership Agreement.

On an international comparison of four-year-olds in 2014, Australia still lags behind, coming in below the OECD average, with 85 per cent of four-year-olds enrolled in ECEC. This is well below comparable countries such as the United Kingdom and New Zealand, though Australia has had the fastest growth of any OECD country over the past decade (OECD, 2017).
Chapter 2: Progress against the National Partnership Agreement on Universal Access to Early Childhood Education

The National Partnership Agreement on Universal Access to Early Childhood Education (National Partnership Agreement), first signed in 2008 (COAG, 2009b, 2013, 2015, 2016), has driven a significant rise in enrolments in a preschool program, across a range of different settings—including sessional preschools/kindergartens, school-based preschools and long day care centres—in the year before full-time schooling nationally. The term of the agreement has since been extended four times, and in the 2017–18 Federal Budget, the Commonwealth Government committed additional funding until the end of 2018.

The stated aim of the National Partnership Agreement is to ‘facilitate children’s early learning and development and transition to school by maintaining universal access to, and improving participation in, affordable, quality early childhood education programmes for all children. This objective is to be achieved through universal access to quality early childhood education programmes for all children enrolled in the year before full-time school for 600 hours per year, delivered by a qualified early childhood teacher who meets NQF requirements, and with a focus on participation by Indigenous, vulnerable and disadvantaged children, regardless of the setting in which programmes are delivered’ (COAG, 2016, p. 3).

The proxy measure for universal access is 95 per cent of children enrolled, in the year before full-time school for 600 hours per year.

Given the National Partnership Agreement’s emphasis on 600 hours per year (or 15 hours per week), tracking progress by states and territories against these goals gives a useful assessment of participation across the nation.
The figures shown above the bars in Figure 17 refer to the proportion of children enrolled in 2015. The National Report on the National Partnership Agreement indicates that all states and territories, apart from New South Wales, met the 95 per cent target in 2015 (Australian Government, 2017c). This is good progress, although it’s worth noting that New South Wales, as Australia’s most populous state, while demonstrating improvement in enrolment rates, is not close to meeting the target and as such, a large proportion of children are still missing out.

With 91 per cent of children enrolled in preschool for more than 600 hours per year in 2015—significantly up from just 12 per cent in 2008, prior to the National Partnership Agreement—it is evident that a clear policy focus and additional funding can result in big improvements in participation, in a relatively short amount of time. Maintaining universal access to early education into the future will strengthen participation of Aboriginal and Torres Strait Islander children and other cohorts of children that are developmentally vulnerable.

### EARLY LEARNING AND ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN

The 2015 AEDC found that Aboriginal and Torres Strait Islander children were more than twice as likely as non-Aboriginal and Torres Strait Islander children to be developmentally vulnerable in two or more domains when assessed in the first year of school.

Aboriginal and Torres Strait Islander children were almost twice as likely to be developmentally vulnerable in health and wellbeing, social competence, communication and emotional maturity. On language and cognitive skills, they were nearly four times more likely to be developmentally vulnerable.

Figure 18. Proportion of Aboriginal and Torres Strait Islander children developmentally vulnerable in two or more domains (2015)

Given the significant gap between Aboriginal and Torres Strait Islander children and non-Aboriginal and Torres Strait Islander children in this regard, the National Partnership Agreement included a focus on lifting preschool participation rates of all Aboriginal and Torres Strait Islander children, as well as all vulnerable and disadvantaged children.
The National Report on the National Partnership Agreement indicated that in 2015, 92 per cent of Aboriginal and Torres Strait Islander children were enrolled in 600 hours of preschool in the year before full-time school, compared to 91 per cent of Australian children overall.

Once again, New South Wales is lagging behind, with only 77 per cent of Aboriginal and Torres Strait Islander children enrolled in preschool in the year before full-time school. However, in Victoria, Queensland, Western Australia, South Australia, Tasmania and the Northern Territory, enrolment for Aboriginal and Torres Strait Islander children was marginally ahead of enrolment levels for all children. In the Australian Capital Territory the enrolment of Aboriginal and Torres Strait Islander children in 600 hours of preschool was slightly behind enrolment rates for all children.

The National Report on the National Partnership Agreement indicated that while enrolment rates were marginally higher, attendance rates for Aboriginal and Torres Strait Islander children were lower, at 92 per cent compared to 96 per cent for all children. Preschool attendance rates were the lowest for Aboriginal and Torres Strait Islander children in both Western Australia (88 per cent) and the Northern Territory (72 per cent) (Australian Government, 2017c).

Caveats should be applied in regard to the data about Aboriginal and Torres Strait Islander children, due to issues associated with both the identification and reporting of Indigenous status, as well as the projections of Indigenous populations undertaken by the ABS.

The Commonwealth Government’s ‘Closing the Gap’ agenda has adopted a target of 95 per cent of all Aboriginal and Torres Strait Islander four-year-olds enrolled in early childhood education by 2025 (Australian Government, 2017a). This remains a key priority for improving the quality of educational outcomes for Aboriginal and Torres Strait Islander children, as does increasing the access to and participation in, early learning for Aboriginal and Torres Strait Islander children in the years before the age of four. Culturally strong services are critical for the healthy growth and development of Aboriginal and Torres Strait Islander children. Literature highlights the importance of early childhood services that are culturally affirming and which build a positive cultural identity and improve outcomes (Kitson & Bowes, 2010; SNAICC, 2004; Trudgett & Grace, 2011). It will require leadership from all governments to identify opportunities to extend access to early education for Aboriginal and Torres Strait Islander children, including through the provision of additional subsidised hours or extending universal access to the earlier years.
AFFORDABILITY

A key measure of the accessibility of ECEC is its affordability. The costs of early childhood services relative to income have been rising steadily in recent years, and in part, have prompted reform of the childcare subsidy system—legislated in 2017, the new system is due to be in operation from 1 July 2018.

**Figure 20. Out of pocket costs of child care for families with one child in 50 hours of care, as a proportion of weekly disposable income, by gross family income (2016)**

<table>
<thead>
<tr>
<th>Income (Gross)</th>
<th>Before subsidies</th>
<th>After subsidies</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35000</td>
<td>45.8</td>
<td>12.1</td>
</tr>
<tr>
<td>$55000</td>
<td>39.9</td>
<td>11.5</td>
</tr>
<tr>
<td>$75000</td>
<td>33.6</td>
<td>11.1</td>
</tr>
<tr>
<td>$95000</td>
<td>28</td>
<td>10.5</td>
</tr>
<tr>
<td>$115000</td>
<td>24.7</td>
<td>10.3</td>
</tr>
<tr>
<td>$135000</td>
<td>21.7</td>
<td>10.1</td>
</tr>
<tr>
<td>$155000</td>
<td>19.4</td>
<td>9.7</td>
</tr>
<tr>
<td>$175000</td>
<td>17.5</td>
<td>8.8</td>
</tr>
<tr>
<td>$195000</td>
<td>16</td>
<td>8.0</td>
</tr>
<tr>
<td>$215000</td>
<td>14.7</td>
<td>7.4</td>
</tr>
</tbody>
</table>

Source: SCRGSP, 2017

In 2013, a family with a gross annual income of $55 000 with one child in full-time care spent 8.8 per cent of their disposable weekly income on childcare costs after subsidies were taken into account. For a family with an income of $75 000, that figure was 8.6 per cent, and for a family with an income of $115 000, 8.9 per cent (SCRGSP, 2014).

By 2016, the cost of one child in full-time care, after subsidies, was more than 12 per cent of some families’ weekly disposable income.

Recent reforms to the childcare subsidy scheme have changed the subsidy rates paid to families based on income and workforce participation. It will be important to monitor affordability over the next three years, after those changes are implemented.

**COST OF CHILD CARE HIGHER FOR LOW INCOME FAMILIES**

After the childcare rebate, families on $35 000 spend 12% of their weekly disposable income on child care, while families on incomes of $215 000 spend only 7.4%.

Source: SCRGSP, 2017
QUALITY

Quality is another key indicator that impacts on the value of early learning.

In short, quality matters. It is important, not only for the safety and wellbeing of all children in early learning and care, but also to ensure our collective investment generates the returns we seek—for children, their families and the country as a whole.

Research confirms the strong link between high-quality early learning programs and children’s academic and social development: children who experience high-quality early education exhibit larger gains that are more likely to be sustained through their lifetime (Taggart et al., 2015; Warren & Haisken-DeNew, 2013).

QUALITY IS IMPROVING

88% of services have been assessed against the National Quality Framework.

73% of the services assessed have a quality rating of meeting or above the National Quality Standard.

Source: As at 31 March 2017, ACECQA, 2017b

QUALITY STANDARDS

In Australia, the National Quality Framework (NQF) is a strong foundation for improving the ECEC system, as it provides an ongoing tool for improving quality, evaluating progress and implementing further reforms as necessary to ensure that the benefits of quality ECEC are extended to all children. A review of the NQF, undertaken five years after its initial implementation, has resulted in a number of technical and operational changes that are due to commence in October 2017 (ACECQA, 2017c).

All early childhood services covered by the NQF are assessed and rated against the National Quality Standard (NQS).

Not all services are considered in scope of the NQF, which means that governments expect different and lower standards for children attending occasional care, Budget Based Funded (BBF) services (those providers funded directly by government) and nanny services. In addition, preschool programs run by the Tasmanian and Western Australian education departments sit outside the scope of the NQF, although preschools in Western Australia are required to meet the NQS and are assessed internally.

From the commencement of the NQF in 2012, through to the first quarter of 2017, 88 per cent of services had been assessed and been given a quality rating (ACECQA, 2017b).

Figure 21. Overall quality rating results by jurisdiction (31 March 2017)*

*This does not include preschool/kindergarten services delivered in the school system in Tasmania and Western Australia, which sit outside the NQF.

Source: ACECQA, 2017b
All states and territories have a significant number of services that are ‘working towards’ the NQS, indicating that the implementation of the regulatory NQF will continue to play a crucial role in driving continual improvement across the sector. Jurisdictions began the journey of quality improvement from very different bases, and some have had to undergo significant changes. Some parts of the sector face ongoing challenges in the recruitment and retaining of staff, particularly those in rural and remote areas.

South Australia has the greatest number of services that have been rated as ‘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’ the standard in NQS Quality Area 1: Educational Program and Practice than in other quality areas, indicating that 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.

The assessment of all services for the first time is nearly complete, with the majority of services expected to be given a quality rating by the end of 2017.

The following charts show the overall progress of quality assessments from 2013 to the end of 2016.

**Figure 22. Quality assessments—change over time (including not yet assessed)**

![Quality assessments chart](image-url)

**Source:** ACECQA, 2014, 2015, 2016 & 2017a

Given initial assessments are still underway, the number of reassessments that have taken place is relatively small. Encouragingly, of the services that have been reassessed, the majority (61 per cent) improved their quality rating. A significant amount (34 per cent) retained the same overall rating and, of some concern, 5 per cent received a lower rating on reassessment. The slow pace of assessments indicates the need for additional resources to ensure that the NQF assessment process operates in a timely way, conducive to continually improving quality.

**QUALIFICATION LEVELS OF EARLY CHILDHOOD EDUCATORS**

16.6% Bachelor Degree and Above

43.5% Diploma or Advanced Diploma

40% Cert. III or IV

**Source:** SCRGSP, 2017
EARLY CHILDHOOD PROFESSIONALS

The NQF sets specific objectives around the qualification levels of early childhood professionals and for good reason—they are key to creating high-quality programs and environments that support the developmental stages of the young children attending their programs.

Qualification standards from 2012 require all staff to hold at least a Certificate III qualification, with diploma-qualified, and at least one degree-qualified, early childhood teacher in centre-based early childhood services. In 2016, almost 17 per cent of the workforce held a Bachelor's degree.

Standards in regards to qualifications under the NQF are continuing to improve. Currently, educators who have completed 50 per cent of their qualification are counted as an early childhood teacher; this provision will cease at the end of 2017, and from 2018, educators will be required to have completed their qualification to be considered an early childhood teacher. Furthermore, it is anticipated that centre-based early childhood services with more than 80 approved places will be required to have a second early childhood educator, or another suitably qualified person, onsite by 2020.

Figure 23. Proportion of paid primary contact staff in approved child care with a formal qualification (2016)

Professional pay for educators is critical in stopping existing levels of employee turnover, attracting the best and the brightest new recruits to the sector, and developing the human potential of our children.

An equal remuneration case was filed at the Fair Work Commission in July 2013, which is seeking pay increases for the early childhood and education workforce. The case remains before the Fair Work Commission. It is likely that further government investment would be required to fund a wage outcome, to prevent significant costs being passed on to families through price increases.

INVESTMENT

Investment in the educational outcomes and wellbeing of our children builds the social and economic value of our society as a whole. While early learning clearly impacts the developmental outcomes of individual children, it also affects the prosperity of the whole country into the future. Investing in the early years is important as it both maximises the learning potential of our young children at a time when their brains are rapidly developing, while reducing the costs in later years by intervening early with children who are vulnerable.

Modelling undertaken by PricewaterhouseCoopers (PwC) in 2014 indicated that there were significant net benefits to the economy from early learning:

- The benefits to Gross Domestic Product (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 II (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.

Remuneration remains a significant issue in the ECEC sector and impacts the status of early learning in Australia. Early childhood educators are a qualified, highly skilled workforce whose professionalism remains under-recognised. Research shows that skilled and qualified educators are the principal factor leading to quality ECEC (Goodfellow, 2007). Raising educators’ pay is integral to improving the quality of early education and care.
Both the Commonwealth, and state and territory governments invest in early learning in Australia. The largest contribution 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.

Total Commonwealth, state and territory government expenditure on ECEC services was $9.1 billion in 2015–16, compared with $8.8 billion in 2014–15 (SCRGSP, 2017).

Commonwealth Government expenditure (all child care, including outside school hours care) accounted for $7.4 billion (82.1 per cent). The Commonwealth’s spend has clearly increased over recent years in line with increased demand for childcare services, rising from $2.9 billion in 2006–07 to $7.4 billion in 2015–16 (SCRGSP, 2017).

Source: PwC, 2014

State and territory government expenditure on ECEC over the past five years shows a general upwards trend; however, it should be noted that this includes funding received from the Commonwealth through the National Partnership Agreement. State and territory government expenditure accounted for $1.6 billion, with preschools accounting for 83 per cent of this expenditure.

Modelling shows the benefits to GDP for children receiving quality ECEC are $10.3 billion cumulative to 2050.

Source: SCRGSP, 2017

**Figure 24. Total Australian Government real expenditure on childcare services 2006–07 to 2015–16 (2015–16 dollars) ($000)**
Overall, despite evidence of increased investment in recent years, public funding of early learning remains low in Australia compared with other countries, and is diffused by competing policy aims.

Funding and policy settings should be aimed at improving participation in early learning and enhancing the quality of the programs provided, and should be directed to where the evidence suggests it will make the greatest difference. Ongoing development of the education evidence base will be required so as to ensure that policymakers can make informed decisions when investing in policies, programs and practices for young children. However, as was recently identified by the Productivity Commission (2016) there are many gaps in the education evidence base in Australia and further work is required.
APPENDIX

About the sector

As at 31 March 2017 there were 15,593 ECEC services operating in Australia (ACECQA, 2017b), 4389 of these provide only outside school hours (OSH) care, while the remaining 11,200 comprise services for children in the years from birth to school.

These include small home-based family day care operations through to preschool programs delivered in a school setting, and centre-based long day care (sometimes with integrated preschool programs) as well as sessional kindergarten or preschool.

Service providers include for-profit, not-for-profit, community cooperatives and state and local government operated entities. This diversity is partly the product of how the early childhood sector developed, with kindergarten and preschool programs traditionally being the domain of state, territory and local governments, and child care being funded by the Commonwealth.

As is the nature of federalism, this has resulted in divergent approaches to funding and management of these services across the country. In some states and territories, pre-primary education has been firmly entrenched in the school system, and as such is clearly the province of state education departments. In others, community and private sector organisations have played a much larger role.

Parallel to this has been the steadily growing demand for long day care services. The majority of ECEC services for children before they start school in Australia are provided by long day care centres, now comprising 63 per cent of all services.

Across Australia there are 298 BBF services. These services are funded through direct government grants and not via the Commonwealth parent subsidy scheme, and are comprised of mobile services and specific Aboriginal and Torres Strait Islander services. The majority operate in the Northern Territory (106) and Queensland (70), with the balance mostly spread across South Australia, New South Wales, Western Australia, and a small number in Tasmania and Victoria. These services are not required to meet NQF requirements; however, under recent changes to the federal childcare subsidy scheme, it is anticipated that some of these services may be required to transition into the subsidy scheme.
Tracking our progress

So as Australia can monitor and track improvements against early learning objectives, there needs to be a clear set of indicators and benchmarks against which performance can be measured. It is important to be clear about our performance including our progress over time across the states and territories, and in comparison to OECD countries.

The OECD has stated (OECD, 2006, p. 176):

- A need exists in most countries for a systematic procedure to collect and provide consistent and comparable information on ECEC. 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 when collections occur, some jurisdictions do not provide comprehensive or easily comparable data. 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; 2014c, pp. 711–713).

The Productivity Commission’s recently released report, National Education Evidence Base (2016), confirms that more work needs to be done to address data gaps. While much data is collected across Australian ECEC services and schools, the report found that existing data could be utilised more effectively through linking data better and harmonising privacy provisions. They also identified the need for a new longitudinal study cohort of Australian children to be funded. The Commission also recommended that Australian, state and territory governments should ‘pursue a national policy effort to develop a high-quality and relevant Australian evidence base about what works best to improve early childhood and school education outcomes and to support the use of evidence’ (Productivity Commission, 2016, p. 31).

Better quantitative data and monitoring, combined with more qualitative, longitudinal data that incorporates multiple points of contact between families and services or programs, would help to inform future decisions about the most appropriate mix of investment required to give every child the best start in life.

Governance

As the OECD has observed in Starting Strong II (2006, p. 46) in many countries:

... for historical reasons, policies for the ‘care’ and ‘education’ of young children have developed separately, with different understandings of children and fractured systems of governance. Responsibility for services may be divided among several ministries, based more on traditional divisions of government than on the actual needs of families and young children.

This description is consistent with Australia’s experience, where early learning is a shared responsibility between the Commonwealth and state and territory governments, and across various government departments.

Traditionally, the responsibilities of ‘care’ and ‘education’ have been split, with the Commonwealth the primary funder of services that enable workforce participation, and states and territories focused on preschool education. This division has lessened in recent years, with greater recognition of the child development benefits of early education and care.

Commonwealth

The Commonwealth Government Department of Education and Training has national policy responsibility for ECEC and is the primary funder, although state and territory governments retain significant policy, funding, delivery and regulatory roles in early childhood services.

National responsibility for policies and programs relating to parent support, playgroups and child protection resides with the Department of Social Services. Additionally, the Commonwealth Department of Health has a key role in developing national health-related policy and, in some cases, programs for early childhood.
States and territories

At the state and territory level, almost all governments have combined some or all of the childcare functions with early childhood education. Western Australia is the only state where ECEC functions remain in separate portfolios.

In Tasmania, the Australian Capital Territory, South Australia and Western Australia, preschool is provided in the school system. The other jurisdictions provide funding for these preschool programs in a mix of dedicated community preschools/kindergartens and long day care.

Each state and territory government hosts a regulatory authority that regulates and assesses children’s education and care services. These regulatory authorities are overseen by a statutory authority, the Australian Children’s Education and Care Quality Authority (ACECQA), which oversees the NQF, 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 and are influenced by state government early childhood regulation and planning policies.

Early learning policies and programs

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

The Investing in the Early Years—A National Early Childhood Development Strategy, is the overarching early years policy framework for Australia, endorsed by COAG in 2009. Implementing the strategy is a collaborative effort between all Australian governments to achieve a shared vision:

... by 2020 all children have the best start in life to create a better future for themselves and for the nation (COAG, 2009a, 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:

- children are born and remain healthy
- children’s environments are nurturing, culturally appropriate and safe
- children have the knowledge and skills for life and learning
- children benefit from better social inclusion and reduced disadvantage, especially Indigenous children
- children are engaged in and benefiting from educational opportunities
- 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, 2009a, p. 22.)

National Quality Framework

The National Quality Framework (NQF) is a quality and regulatory framework applying to the majority of early education and care services in Australia.

The NQF delivers a nationally consistent standard of care for children in the critical areas of education, health and safety, the physical environment, relationships, partnerships with families, and leadership. It provides 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 early childhood workers and a national quality rating system.

Early Years Learning Framework

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, ECEC providers use the EYLF to assist with designing and delivering their early years programs.
National Partnership Agreement on Universal Access to Early Childhood Education

Under the National Partnership Agreement on Universal Access to Early Childhood Education (National Partnership Agreement), Commonwealth and state and territory governments work together to ensure access to preschool for all children in the year before full-time schooling. Under the National Partnership Agreement, preschool programs must be delivered by a university-qualified early childhood teacher for 600 hours per year, 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, with a target to have 95 per cent of Aboriginal and Torres Strait Islander children enrolled in a preschool program in the year before school.

Funding for the National Partnership Agreement, due to expire at the end of 2017, was extended by 12 months in the 2017–18 Federal Budget.

Government childcare assistance

To date, Commonwealth Government childcare assistance has consisted of two mainstream payments: the means-tested Child Care Benefit (CCB) and a non-means-tested, but capped, Child Care Rebate (CCR). CCR has provided up to 50 per cent of the out-of-pocket costs of ECEC, after CCB, for each child up to $7500 per annum.

Legislation recently passed by Federal Parliament makes a number of changes to childcare funding. The main changes are the replacement of CCB/CCR payments with a single payment, ‘Child Care Subsidy’, provided directly to the ECEC provider. The legislation also provides for the amount of rebate to differ depending on a family’s income, caps the subsidy paid to providers per hour of care, and introduces an activity test for parents, linking children’s access to early learning to their family’s workforce participation status. The new childcare subsidy scheme is expected to be in operation from 1 July 2018.

Early learning at home and in the community

Families have a particularly important influence on children’s development, and a child’s environment at home is one of the most significant influences on their lifetime learning. The relationships and interactions young children have with key adults—such as conversations or playtime with their parents—help to build a healthy, responsive young brain.

Partnerships between parents, communities and early childhood professionals are optimal for enhancing children’s development in a uniquely formative stage of life.

Maternal and Child Health services are often the first to provide information and support to families with a new baby, and play an important role in supporting healthy child development through the critical years from birth to the age of two or three years.

The role of parent and family support programs including information services such as the Raising Children website, and peer support models such as the playgroups movement also have a role in supporting rich early learning in the home environment. Targeted programs such as HIPPY (Home Interaction Program for Parents and Youngsters) are also being delivered in areas of disadvantage.
REFERENCES


