

Review of the National Partnership Agreement on Universal Access to Early Childhood Education

Submission from Early Childhood Australia

September 2019

About us

Early Childhood Australia (ECA) is a not-for-profit organisation that has been a voice for children since 1938. We have a federated structure with branches in every state and territory in Australia and our membership includes individual professionals, early childhood services and schools, as well as public, private and not-for-profit organisations that share a commitment to young children.

Our vision is that every young child is thriving and learning. To achieve this, we champion the rights of young children to thrive and learn at home, in the community, within early learning settings and through the early years of school.

Our work builds the capacity of our society and the early childhood sector to realise the potential of every child during the critical early years from birth to the age of eight. ECA specifically acknowledges the rights of Aboriginal and Torres Strait Islander children and their families, and the past and current injustices and realities for them around Australia.

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1. Executive Summary

Early Childhood Australia (ECA) welcomes this opportunity to provide input to the Review of the National Partnership on Universal Access to Early Childhood Education (the 'Universal Access National Partnership' (UANP), to use the review's terms).

This submission responds to the designated consultation questions and also addresses issues that are critical to the future of early learning in Australia. These include: lack of stability in UANP agreements; no national approach to three-year-old preschool; and a looming undersupply of qualified early childhood teachers.

The short-term nature of recent UANP agreements has created uncertainty for recipient governments and preschool services, and subjected preschool policy to an unhelpful degree of political bargaining. The current UANP agreement (2018-19) is due to expire on 30 June 2020, presenting Australia with the opportunity to end the instability.

Another critical task is the extension of the UANP to cover two years before full-time schooling, so that all three-year-olds have access to affordable, high-quality preschool education.¹ While some state and territory governments are forging ahead and investing in an additional year of preschool for some or all children, most are not. Leaving the responsibility for three-year-old preschool with the states and territories would be dangerously inequitable: put simply, it would extend disparities in early learning based on postcode. Only through COAG can Australia deliver educational opportunity to all children.

Governments also face an immediate challenge in ensuring adequate supply of early childhood teachers. Even with universal access to preschool currently limited to one year, the Australian Government is forecasting the creation of 29,000 jobs for early childhood teachers over the next five years.² Current completion rates in early childhood degrees are running at only half that rate. Increasing the number of Bachelor-qualified early childhood teachers should form part of a new National Workforce Strategy for Early Childhood Education and Care, as an adjunct to the UANP.

This submission draws on ECA's recent policy work on early learning in the two years before school:

- *ECA policy statement: Early childhood education for every child in Australia*
- [Working together to ensure equality for Aboriginal and Torres Strait Islander children in the early years](#) (co-authored with SNAICC – National Voice for our Children).

¹ The term 'preschool' is used in this submission for the sake of simplicity, but ECA acknowledges that 'kindergarten' is the alternative term used in several states.

² Department of Employment, Skills, Small and Family Business (Australia). (2019). Job Outlook. Accessed at <https://joboutlook.gov.au/Occupation?search=Industry&Industry=P&code=2411>



In summary, ECA's recommendations to COAG are:

Recommendation 1: The next UANP agreement runs for five years, the same length as the national school funding agreement.

Recommendation 2: The next UANP agreement includes a timeframe for the rollout of universal access to preschool for all three-year-olds, to cover a second year of early learning before the start of fulltime schooling.

Recommendation 3: Three-year-old preschool prioritises access for children experiencing disadvantage and vulnerability, Aboriginal and Torres Strait Islander children and children in rural and remote areas.

Recommendation 4: The rollout plan for three-year-old preschool addresses workforce shortages in rural and remote areas, so that children in these areas experience no additional barriers to accessing a preschool place.

Recommendation 5: COAG develops a National Workforce Strategy for Early Childhood Education and Care, to ensure adequate supply of qualified, experienced educators, including early childhood teachers.

Recommendation 6: The UANP includes a new target to improve access to preschool for children in rural and remote areas.

Recommendation 7: Preschool attendance is recorded for each session in which a child is enrolled throughout the year.

Recommendation 8: COAG implements a common definition of 'vulnerability and disadvantage' in relation to children.

Recommendation 9: COAG examines the benefits and risks of extending the Unique Student Identifier to schools and preschools.

Recommendation 10: An Early Childhood Education Innovation Fund is established under COAG, to fund new programs designed to improve the early learning and development of children.



2. Key issues

Restoring stability to preschool funding

The first UANP agreement commenced in February 2009, but following its expiration in June 2013, the process of renewing agreements and funding has been hamstrung by short timelines and last-minute extensions. Since June 2013, COAG has negotiated and signed five UANP agreements – an average of one new agreement every 1.2 years. Given the stability inherent in early childhood education – in which a predictable number of children attend a predictable number of services – this degree of volatility in agreement-making and funding is extraordinary.

ECA accepts that new governments – and new leaders – may wish to review and revise intergovernmental agreements, particularly those involving financial transfers. However, in the case of the UANP, the Australian Government over the past six years has not developed any agreements beyond a lifespan of two years. This must end. The constant uncertainty and haggling over the UANP ties up bureaucratic and political resources, and denies many preschool providers the necessary time and resources for planning their educational programs and infrastructure.

Instead, Australia needs to place preschool funding on the same footing as school funding. The agreement that covers Commonwealth funding of state and territory schools – the National School Reform Agreement – runs for five years (1 January 2019-31 December 2023). Five years should also be the term of the next UANP agreement.

Recommendation 1: The next UANP agreement runs for five years, the same length as the national school funding agreement.

Rolling out a second year of preschool

When the Australian states and territories commissioned the *Lifting our Game* report, they were seeking expert advice on the ‘effective and efficient use of funding to improve children’s school readiness, with a particular focus on disadvantaged and vulnerable children’.³ The findings of that report were very clear:

The case for extending universal access to three year olds is strong ... The national and international research, and the level of provision in comparable jurisdictions, is more than

³ Pascoe, S. and Brennan, D. (2017). *Lifting our Game: Report of the Review to Achieve Educational Excellence in Australian Schools Through Early Childhood Interventions*. Melbourne: Victorian Government.



sufficient to support the claims of the benefits of early childhood education, and to justify investment in this critical foundational area.⁴

Research tells us that high-quality early education can deliver long-term benefits well into adulthood, and that it can be a powerful intervention for children experiencing vulnerability and disadvantage. The expert advice is that two years of preschool participation is better than one, for the sake of children's learning, wellbeing and development.⁵ For example, in analysing the impact of early learning on high school performance, the OECD found that two years of early learning prior to school was the minimum duration required to give children the best chance of performing well at age 15.⁶

While the evidence surrounding a second year of preschool is clear, COAG is yet to adopt the measure as policy. ECA acknowledges that a second year of preschool became a point of policy difference during the 2019 Federal election campaign. However, most state and territory governments are already extending a second year of preschool to select groups of children, such as Aboriginal and Torres Strait Islander children. Current policies in a trio of jurisdictions – Victoria, Tasmania and the ACT – demonstrate that extending early learning is not a partisan issue (see Box 1).

Box 1: Extending preschool access in Victoria, Tasmania and the ACT

Victoria: Universal access to kindergarten (preschool) for three-year-olds will roll out in six council areas in regional Victoria in 2020, and in a further 15 council areas in 2021, for 15 hours per week. From 2022, three-year-olds across the state will have access to at least five hours of kindergarten per week. The hours will increase up to the full 15-hour program by 2029.

Tasmania: The Working Together for 3 Year Olds (WT3) program began in 2019 in five pilot locations in Tasmania, offered across 11 early learning services. The program has provided free preschool for up to 400 hours for three-year-olds who:

- have a parent/primary carer with a Health Care Card and/or
- are Aboriginal and/or Torres Strait Islander and/or
- are engaged with Child Safety Services.

ACT: From 2020, families experiencing disadvantage and vulnerability will be provided with 15 hours of free preschool per week for their three-year-old children, delivered in government-run services.

⁴ Pascoe and Brennan. (2017). Op. cit. p. 80.

⁵ Ibid. p.47

⁶ Ibid. p. 40.



While individual initiatives by some state and territory governments are very welcome, they are no substitute for a national approach. At the moment, a three-year-old child's access to quality, affordable preschool depends on where they live. This should never be the case in Australia. Inequity based on geography is typically a target of concerted policy action in this country, and this must be the case regarding access to a second year of preschool. Only COAG can ensure educational equity in the crucial years leading up to school.

The timeframe for introducing a second year of early learning via the UANP should be negotiated by governments as a priority. The staged approach that Victoria has adopted for rolling out universal access for three-year-olds may provide a useful model for COAG. ECA also notes the rollout model in Tasmania, which prioritises children who are likely to benefit the most from additional access to early learning.

Children experiencing disadvantage and vulnerability are less likely to be enrolled in preschool or to be receiving their full 600 hours of preschool in the year before fulltime schooling⁷, and they are more likely to be developmentally vulnerable when they start school.⁸ and would benefit the most from the additional learning opportunities of a second year of preschool. Data from the landmark Early Years Education Program shows that targeted early learning support can have an extraordinarily positive impact on the IQ and social and emotional wellbeing of the most vulnerable children.⁹

ECA recommends that preschool be:

- available for at least 18 hours a week, spread over at least two days, and long enough to meet the educational needs of each individual child. This entitlement should be higher for children experiencing disadvantage and children at risk.
- accessible to all families at a cost they can afford—which means free or low-cost for low-income households or families in financial difficulty.¹⁰

For Aboriginal and Torres Strait Islander children, the evidence supports participation in high-quality early education for up to thirty hours a week in the two years before school. One key challenge, however, is to overcome the barriers that discourage, deter or prevent Indigenous families from

⁷ Australian Bureau of Statistics. (2019). Preschool Education, Australia, 2018 [dataset].ABS: Canberra.

⁸ Commonwealth of Australia. (2019). *Australian Early Development Census National Report 2018*. Canberra: Department of Education and Training.

⁹ Tseng, Y., Jordan, B., Borland, J., Coombs, N., Cotter, K., Guillou, M., Hill, A., Kennedy, A. and Sheehan, J. (2019). *24 months in the Early Years Education Program: Assessment of the impact on children and their primary caregivers*. Changing the life trajectories of Australia's most vulnerable children, Report No. 4. Melbourne: University of Melbourne and Kids First.

¹⁰ ECA. (2019). *ECA policy statement: Early childhood education for every child in Australia*. Canberra: Early Childhood Australia.



participating in early learning services. ECA and SNAICC have outlined these barriers, and recommendations for removing them, in a joint position paper.¹¹

In rolling out three-year-old preschool in rural and remote Australia, it will be important to ensure that preschool infrastructure and the preschool workforce can support a larger cohort of children. Workforce presents a particular challenge (see the next section of this submission). The Halsey review into regional, rural and remote education suggested a range of measures for attracting and retaining teachers in regional, rural and remote schools – these measures are also largely applicable to the preschool workforce, and should inform COAG strategy in this area.¹²

Recommendation 2: The next UANP agreement includes a timeframe for the rollout of universal access to preschool for all three-year-olds, to cover a second year of early learning before the start of fulltime schooling.

Recommendation 3: Three-year-old preschool prioritises access for children experiencing disadvantage and vulnerability, Aboriginal and Torres Strait Islander children and children in rural and remote areas.

Recommendation 4: The rollout plan for three-year-old preschool addresses workforce shortages in rural and remote areas, so that children in these areas experience no additional barriers to accessing a preschool place.

Building the preschool workforce

Qualified early childhood teachers (ECTs) are essential for the operation of preschool programs, but ECTs also face significant career challenges. ECTs working in early learning settings pay a penalty, earning significantly less than their peers in the school system. According to the Independent Education Union, first year preschool teachers earn \$16,583 less than a graduate teacher in a primary school, and the difference widens over time to a gap of \$33,431 per year.

In addition to the relatively low pay, teachers working in centred-based settings (eg long day care) face longer hours and fewer holidays (compared with school-based work), and less public

¹¹ ECA and SNAICC. (2019). *Working together to ensure equality for Aboriginal and Torres Strait Islander Children in the Early Years*. Canberra: Early Childhood Australia. Accessed at <http://www.earlychildhoodaustralia.org.au/wp-content/uploads/2019/02/SNAICC-ECA-Early-Years-Position-Paper-.pdf>

¹² Halsey, J. (2018). *Independent Review into Regional, Rural and Remote Education*. Canberra: Department of Education and Training.



recognition of the value of their work. The bifurcation between school-based and non-school-based teachers is reinforced by the Australian Professional Standards for Teachers, which contain only limited recognition of early childhood settings, and establish a mentoring/development system poorly-suited to some teachers, particularly those in smaller or remote early childhood settings.

Given the lack of pay parity and professional recognition, it is no surprise that the early childhood education sector finds it difficult to attract and retain ECTs. Even with universal access to preschool currently limited to one year, the Australian Department of Employment, Skills, Small and Family Business is forecasting demand for 29,000 ECT jobs over the next five years.¹³ However, current completion rates in initial teacher education (early childhood) degrees are running at only half that rate.¹⁴

In order to guarantee provision of preschool, and to ensure its high quality, Australia needs a new national strategy for the preschool workforce. The Early Years Workforce Strategy was developed by the Standing Council on School Education and Early Childhood in 2012, but lapsed in 2016. ECA recommends the development of a new early childhood education workforce strategy as a matter of priority.

Recommendation 5: COAG develops a National Workforce Strategy for Early Childhood Education and Care, to ensure adequate supply of qualified, experienced educators, including early childhood teachers.

¹³ Department of Employment, Skills, Small and Family Business (Australia). (2019). *Job Outlook*. Accessed at <https://joboutlook.gov.au/Occupation?search=Industry&Industry=P&code=2411>

¹⁴ Parliament of Australia. (2019). *Senate Estimates - Questions on Notice -Portfolio Q: SQ18-000900*. Accessed at <https://www.aph.gov.au/api/qon/downloadattachment?attachmentId=c8234c26-ae18-4666-8544-b8c7655baad0>



3. Consultation Questions

Question 1: To what extent have the UANP policy objectives, outcomes and outputs been achieved?

ECA response:

Since 2009, the UANP has provided a badly-needed national focus on, and investment in, early learning. This national effort is clearly proving effective, given the strong growth in preschool enrolment, which stood at 90 per cent in 2017.¹⁵

UANP funding from the Commonwealth has enabled the states and territories to invest in a broad range of programs to lift enrolment and attendance, reduce costs to families and improve the quality of early learning. These include capital grants, fee subsidies, wage subsidies, inclusion support services, programs for Aboriginal and Torres Strait Islander families and children and upskilling and professional development for teachers.

However, the job is not yet done. There are still clear differences in the attainment of the UANP objectives between the states and territories and between particular groups of children. For example, the proportion of children enrolled in a preschool program for 15 hours or more per week varies from 93 per cent in NSW to 99 per cent in South Australia and Tasmania.¹⁶ For Aboriginal and Torres Strait Islander children, the disparities in enrolment are much greater, ranging from just 81 per cent in NSW to nearly 100 per cent in Tasmania and Western Australia.

Converting preschool enrolment to consistent attendance remains a challenge. While 98 per cent of enrolled children (aged 4-5) attended preschool during the reference week in 2018, 15 per cent of children do not attend for the full 600 hours per year. Furthermore, the rate of preschool non-attendance is twice as high for children experiencing disadvantage.¹⁷

There are several reasons for the variation in achieving the UANP objectives, including the historical development and current composition of the early childhood education and care sector in each state and territory. Financial investment in preschool is also a critical factor. State and territory expenditure on preschool services responds to the unique circumstances in each jurisdiction, but it also shapes outcomes for children. Expenditure on preschool services (per child enrolled) varies widely, from \$13,210 in the Northern Territory to \$2,976 in Queensland, with a national average of \$5,173 (see Table 1).

¹⁵ Productivity Commission. (2019). *Report on Government Services 2019*. Melbourne: Productivity Commission.

¹⁶ Ibid.

¹⁷ Australian Bureau of Statistics. (2019). Op cit.



Jurisdiction	Expenditure on preschool services, per child enrolled (2017-18) (\$)	Universal access to free preschool for 15 hours per week*
ACT	6,512	✓
NSW	3,279	✗
Northern Territory	13,210	✓
Queensland	2,976	✗
South Australia	9,027	✓
Tasmania	7,958	✓
Victoria	5,216	✗
Western Australia	10,160	✓
AUSTRALIA	5,173	

Table 1: Expenditure on preschool services, per child, by jurisdiction (2017-18)

Source: Productivity Commission. (2019).

*Note: Provided in government preschool services only.

The cost of preschool services to families also varies: while several jurisdictions have made preschool free for 15 hours per week, in government-run services (WA, ACT, NT, SA and Tasmania), families face fees in other jurisdictions (NSW, Queensland, Victoria), although subsidies apply in some of these. Preschool fees – even low fees – are a potential barrier to participation for some families, and the differences in cost structure across Australia create a concerning level of inequity.

Question 2. What should the UANP target and measure, and how should data be collected and used?

ECA response: New target areas should be included in the next UANP agreement, and data collection must be improved to better understand, track and improve performance.

New target areas

Alongside the focus on Aboriginal and Torres Strait Islander children and children experiencing vulnerability and disadvantage, the UANP should target improvements in early learning and development for all children in rural and remote Australia. The early childhood development gap between metropolitan and regional Australia is unacceptably high. In their first year of school, children in very remote regions are assessed as ‘developmentally vulnerable’ at more than twice the



rate as children in major cities.¹⁸ The further away from major cities that Australian children live, the fewer hours per week they attend preschool.¹⁹

The recent report of the Regional Education Expert Advisory Group on regional education recognised the clear links between early childhood education and care, schooling and tertiary education attainment, and called for action to improve early learning in regional, rural and remote Australia.²⁰ This process should begin with the UANP.

Recommendation 6: The UANP includes a new target to improve access to preschool for children in rural and remote areas.

Data collection

COAG parties have acknowledged the significant problems with data collection surrounding UANP performance measurement, and have begun to address these. Data deficiencies are outlined in some detail in the Implementation Agreements for each state and territory, including:

- Inaccuracy of preschool attendance figures based on extrapolation of the August census.²¹
- Inaccuracies in counting the population of children in the year before fulltime schooling, due to discrepancies between dataset parameters and cut-off dates for school enrolment.²²
- Under-identification of Indigenous children at the time of preschool enrolment.²³
- Lack of easy access to data, because of the divide between state- or territory-held data (eg preschools) and Commonwealth data (eg centre-based care).

¹⁸ Australian Early Development Census. (2019). *Australian Early Development Census National Report 2018: A Snapshot of Early Childhood Development in Australia*. Canberra.

¹⁹ Australian Bureau of Statistics. (2019). Op. cit.

²⁰ Regional Education Expert Advisory Group, (2019). *National Regional, Rural and Remote Tertiary Education Strategy – Final Report*. Accessed at https://docs.education.gov.au/system/files/doc/other/national_regional_rural_and_remote_tertiary_education_strategy.pdf

²¹ Government of the Northern Territory. (2019). *Northern Territory Implementation Plan – National Partnership on Universal Access to Early Childhood Education 2018 and 2019*. Government of the Australian Capital Territory. (2019). *Australian Capital Territory's Implementation Plan – National Partnership on Universal Access to Early Childhood Education – 2018 and 2019*. Both accessed at <http://www.federalfinancialrelations.gov.au/content/npa/education.aspx>.

²² Government of Victoria. (2019). Op. cit.

²³ Government of Tasmania. (2019). *Tasmania's Implementation Plan – National Partnership on Universal Access to Early Childhood Education – 2018 and 2019*. Government of Queensland. (2019). *Queensland's Implementation Plan – National Partnership on Universal Access to Early Childhood Education – 2018 and 2019*. Both accessed at <http://www.federalfinancialrelations.gov.au/content/npa/education.aspx>.



The need for high-quality data to track the delivery and outcomes of early childhood education and care was highlighted in the Productivity Commission's report into the national education evidence base.²⁴ It is critical to improving our education system and developing effective government policies to have more extensive Australian education data, including for preschool. The Australian Government is currently working to extend the Unique Student Identifier (USI) to higher education students, and COAG should consider applying the USI to children in preschool programs and school, to provide a complete chain of data on the educational outcomes for Australian children.

At the most fundamental level, the definition of commonly-used terms should be uniform across the UANP Implementation Agreements.

Recommendation 7: Preschool attendance is recorded for each session in which a child is enrolled throughout the year.

Recommendation 8: COAG implements a common definition of 'vulnerability and disadvantage' in relation to children.

Recommendation 9: COAG examines the benefits and risks of extending the Unique Student Identifier to schools and preschools.

Question 3: Are the current UANP arrangements efficient and effective and how could the efficiency, effectiveness and equity of UANP funding be improved?

ECA response: See Recommendation 1, on the benefits of running UANP agreements across five years.

Question 4: How does the preschool system operate across States and Territories and settings?

ECA response: See our response to Question 1.

Question 5: Based on your experiences, should changes should be made to future national policy on preschool for children in the year before full-time school, and why? What improvements would these changes make? What works well with the current UANP arrangements?

ECA response: See Recommendations 2-4.

²⁴ Productivity Commission. (2016). *National Education Evidence Base: Productivity Commission Inquiry Report Vol 1*, No 80. Canberra: Commonwealth of Australia.



ECA is also conscious of the need to ensure high quality and best practice in preschool programs in Australia. Access to preschool is of little use to children if the quality of the educational program is lacking. Australia should also be actively encouraging innovation in programs and practices, to achieve better outcomes for children and for governments. We therefore propose the creation of an Early Childhood Education Innovation Fund, constituted via the UANP. Under the Early Childhood Education Innovation Fund, 2 per cent of NPA funding would be invested in innovation to improve one or more of the following:

- The preschool participation of Aboriginal and Torres Strait Islander children; and/or children in rural and remote areas; and/or children experiencing disadvantage and vulnerability.
- The ability of families to support their children's learning, including their transition to school.
- The quality of early childhood education, including pedagogy and programs.
- The professional learning of early childhood teachers.

This fund would support the states and territories to continually seek evidence-based improvements to policy and practice, fostering links between policymakers, researchers and early childhood education practitioners. States and territories should be required to report back on the results of Early Childhood Education Innovation Fund projects, in order to strengthen best practice across Australia.

Recommendation 10: An Early Childhood Education Innovation Fund is established under COAG, to fund new programs and practices designed to improve the early learning and development of children.