

The Early Advantage

International Case Studies of Early Childhood Education and Care Systems



Maintaining the Reform Momentum

Australia

Australia: Maintaining the Reform Momentum

A Case Study of the Australian Early Childhood Education and Care System

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This work is being made available posthumously. Its completion has been enabled through the efforts of many, including Bridget Healey, Tom Peachey, and Eva Landsberg. Appreciation is extended to Patricia Eadie for her review of the manuscript.

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The Early Advantage



Executive Summary

This case study of early childhood system provision—Australia: Maintaining the Reform Momentum—is part of an international comparative analysis of early childhood education and care (ECEC) systems in six countries/jurisdictions (Australia, England, Finland, Hong Kong, Republic of Korea, and Singapore). Groundbreaking in intent, scope, and findings, the overall study tells the story of each country, probing the nature of services provided to young children and their families from the prenatal period through age 8, as well as the country’s unique approaches to the burgeoning field of ECEC. In so doing, it reveals each country’s contributions to the global understanding of promising and innovative ECEC policy, practice, and service delivery. This is the story of Australia’s ECEC system development and reform – one that focuses on significant collaborative effort over the past decade to introduce a National Quality Framework and expand access to ECEC services in a federal system of government.

Early Childhood Education and Care (ECEC) in Australia

Australia is a democracy that takes pride in being a free and open society with an egalitarian outlook. Australia’s stable governing and political framework is underpinned by the Constitution established in 1901, setting the different roles of the Commonwealth government (referred to as the “Australian Government”) and state and territory governments that have shaped the history of ECEC provision. States and territories have historically provided funding for education (including preschool), while the Australian Government provided funding for child care, reflecting its broader role in relation to employment policy and social welfare transfers.

For many Australian families, ECEC services are a fundamental part of everyday life, and in Australian society, these ECEC services have a central role in supporting child development while also facilitating greater workforce participation and economic engagement. Through the Australian Government, most families are eligible for child care subsidies to offset child care fees, though this is income-tested and parents are required to find an ECEC place for their child. From July 2018, new eligibility criteria

will favor families engaged in the labor force or other approved activities. Meanwhile, through state and territory governments, all families are eligible for a level of subsidy to offset the cost of preschool. Primary school provides the first statutory entitlement for children to access education, although 15 hours of universal preschool provision at age 4 are now funded with contributions from both the federal and state/territory levels of government.

Families and children sustain the contemporary Australian ECEC system through their demand for, and participation in, ECEC services, whether they be center-based, home-based, or specialized services for rural and remote locations. Over the past several decades, the policy and funding settings have moved from local, community-owned models to the current substantial and diverse system that is underpinned by a national market-based approach.

Reform Efforts and Achievements

Substantial progress in ECEC system reform was made in the past decade. The importance of human capital development to Australia's economic prosperity, including a focus on the early years, arose to prominence in the 2000s, when the Australian, state, and territory governments, under the Council of Australian Governments (COAG), agreed on a National Reform Agenda as a means to improve productivity in the nation. The National Reform Agenda initiated a major period of change spanning 2007–17, heralding formal policy recognition of the dual contribution of ECEC to young children's development and parental workforce participation. This resulted in strong government and community commitment to the quality and accessibility of ECEC programs, especially for children living in disadvantaged circumstances.

Under the Agenda, the National Quality Framework for Early Childhood Education and Care (NQF), established in 2012, represents a systemic "paradigm shift" in ECEC policy and provision. The purpose of the NQF is to raise quality, drive continuous

improvement, and promote consistency of ECEC services. In both development and implementation, the NQF represents an unprecedented collaborative effort between the Australian, state, and territory governments to set common standards and improve quality across the ECEC system. The standards address the following quality areas: educational programs and practices, children's health and safety, physical environment, staffing arrangements, relationships with children, collaborative partnerships with families and communities, and governance and leadership. A national agency oversees the standards, bolstered by state and territory regulatory authorities that assess individual programs. The inspection results are publicly available, and program approvals can be revoked based (in part) on the inspections. In addition, in raising quality standards, the NQF also raised expectations for educator practice, setting higher qualification requirements with the aim of stimulating the large-scale professionalization of the workforce.

Through the National Reform Agenda, COAG also agreed to the National Partnership Agreement on Universal Access to Early Childhood Education (NPA UA ECE) (COAG, 2016) in 2008. This agreement provides an Australian Government funding contribution to states and territories to ensure universal access to early childhood education in the year before school. As a result, national preschool participation rates have grown significantly.

Following a change of government at the national level in 2013, emphasis shifted toward increasing the flexibility and affordability of child care services. A 2014 Australian Government-initiated inquiry recommended further development of the market model and subsidies that are proposed to increase flexibility, enhance competition, and put downward pressure on child care fees (Productivity Commission, 2014a, 2014b). The key reform directions arising from the inquiry were pursued through a Jobs for Families Package. This package is designed to increase subsidies for working low- to middle-income families but has also raised concern about reduced subsidies for

nonworking families and the risk of compromising access to ECEC by Indigenous children and families.

Within the Australian system, the design of ECEC subsidies is complex. Achieving multiple intended outcomes, such as access, equity, and affordability, requires consideration of capital investment (e.g., building ECEC centers), fee-setting, and staff training and development across Australia's diverse populations, remote areas, and different service types. The aspiration of the Package is that redesigned market measures that address affordability will be sustainable, as previous efforts have been successful only in the short term. No evidence is available yet to verify whether these measures will resolve affordability issues. Moreover, the NQF reform to date has not featured a reconsideration of the ECEC market model and its subsidy system in relation to alignment and interaction with the universal (free) public school education model, which children enter at approximately age 5. Efforts to provide free universal access to preschool are progressing, while the potential of enhancing the integration of ECEC and school services remains. Although not yet on the agenda, a comprehensive integrated review of the funding—including both child care and preschool funding—may propel the momentum of ECEC reform in Australia.

Observations from the Case Study

Substantial societal and economic challenges are unfolding for Australia, as with many Western democracies, and the way that these countries respond through social policies will guide opportunities for current and future generations. The global movement of people across borders, either to apply their skills or to find safety, is accelerating diversity and propelling reconsiderations of inclusiveness. Economically, globalization and trade have led to growth in Australia's wealth, and combined with technology, are fundamentally changing the skills needed by current and future generations. Such economic opportunities have benefited many but not all. In response to these challenges and the changes to come over future decades, Australia is expanding the focus of

education systems to emphasize new skills and the importance of children's well-being and dispositions for learning.

ECEC is the first pillar of education and is often a formal entry point to Australian community and society. ECEC services and supports have a critical role to play for young Australians in maximizing their well-being and their opportunities for healthy, productive, and rewarding futures. Policy attention since 2009 has greatly progressed ECEC in Australia, spurring significant increases in ECEC participation. In many ways, however, Australia's ECEC system still requires change to meet the needs of children and families in the present and future.

Policymakers and educators should consider the following observations in order to further develop the Australian ECEC system:

- ECEC policy objectives evolved since the 1970s to support efficiency through a market approach to provision, yet quality, equity, and sustainability issues increased concurrently over time;
- The divide between "education" and "care" services remains evident in service delivery and quality despite policy consolidation of these two strands in 2009;
- Australia has an orientation toward social service provision, but good policy also requires effective implementation;
- System implementation challenges across the vast Australian geography continue. Equity of access to ECEC requires greater policy attention and solutions;
- Though monitoring is a key component of a successful ECEC system, Australia's monitoring framework is, as yet, only partially developed;
- Despite Australia's durable quality framework for provision, there are implementation barriers to improving teaching and learning;

- Though ECEC funding has the potential to create benefits to society, the current subsidy design results in growth in service types where quality is variable;
- Further national reform across governments is required to promote funding and access efficiencies;
- Parents are central to the Australian ECEC system design, yet lack a strong presence in policymaking.

Many of these observations reflect challenges within the systems and structures that guide and influence service delivery. Their effects manifest in the opportunities for children, families and broader community to benefit from ECEC services.

Where to Next for ECEC in Australia

Momentum is crucial in developing large and complex systems. Australia's efforts and progress in ECEC over the past decade must be recognized, but there is much more to be achieved. Maintaining the momentum for change and reform will require the casting and enacting of a systemic vision that further recognizes the role of ECEC in education and society in Australia, and its place in future decades when the focus of education systems is expanded to enhance human capability, address social cohesion, and raise individual well-being and dispositions for learning. This is not apparent at present.

Change is required that creates a more unified system for children and families and better aligns the incentives of service users and providers with public policy objectives. This undoubtedly requires the concerted action of governments to shape the existing landscape of services into a more coherent system. The fundamental issues of national ECEC funding, purpose, and governance remain, and would benefit from the creation of sustainable institutional structures, not unlike those supporting the NQF. Such reforms are complex but not unparalleled in Australian social service delivery.

Acting together, governments can use the powerful levers of funding, planning, regulation, and service delivery to move Australia towards a system which genuinely meets the needs of children and families both now and into the future.



Part 1
Introduction

Chapter 1: Study Overview

This case study of early childhood system provision—*Australia: Maintaining the Reform Momentum*—is part of an international comparative analysis of early childhood education and care (ECEC) systems in six countries/jurisdictions (Australia, England, Finland, Hong Kong, Republic of Korea, and Singapore). Groundbreaking in intent, scope, and findings, the overall study tells the story of each country, probing the nature of services provided to young children and their families from the prenatal period through age 8, as well as the country’s unique approaches to the burgeoning field of ECEC. In so doing, it reveals each country’s contributions to the global understanding of promising and innovative ECEC policy, practice, and service delivery.

Rationale and Goals

Rationale

This comparative analysis could not come at a more opportune time. Globally, the world is casting its eyes and hopes on young children, matching these expectations with unprecedented global policy attention coupled with increased services and supports. In part, global attention might be attributed to the scores of policy documents emanating from the United Nations and other international bodies that extol the importance and benefits of serving young children. Moreover, abundant scientific research fuels this interest, emanating from domains as diverse as the neuro, biological, evaluation, econometric, implementation, and systems sciences. But this focus on young children is not limited to the academy; rather, profound shifts in global demographics—exemplified by unprecedented rising rates of migration, diversification, and automation—are handmaidens to the paramount global realization that the early years matter. Similarly, there is a near-universal realization that what countries do during these all-important and irretrievable years has the potential, when done well, to promote social cohesion and cognitive capital, advance economic productivity, and prepare societies for the future. More than “babysitting” and “preparation for school,”

ECEC is now considered the social elixir of positive change that the research has proven it to be; it has become the sine qua non of effective policy on a global scale.

The time to examine ECEC in Australia has never been more ripe. ECEC reform has been significant over the past decade and yet a clear vision and implementation pathway is still needed if the present and future changes in society and the economy are to be addressed. Furthermore, like no other case study in the series, the Australia case represents ECEC reform initiatives within a federated country system—one that comprises separately elected governments across the nation. To that end lessons may be learned regarding oversight, cooperation, and the intergovernmental and governance processes that are necessary to sustain a complex system of ECEC provision.

Gaps and Goals

With all the attention accorded to young children, it is somewhat surprising that only limited comparative international analyses of ECEC services and their outcomes have been carried out. When conducted, such studies tend to: (i) provide league-table overviews of available services; (ii) focus on program evaluations that provide a glimpse into specific aspects of ECEC (e.g., parenting education); or (iii) examine specific aspects of children's performance in certain contexts. It is noteworthy that fewer than 10 studies, many conducted fairly recently, seek to understand ECEC from a comprehensive systems perspective, with many of these relying on data from a single source. Few tell complete country stories that explicate why and how exemplary services come to be, how they change and mature, and how they seek to alter the quality, equitable distribution, sustainability, and efficiency of services for young children. Few acknowledge the intimate roles that culture and context play in contouring the nature, amount, and quality of services for young children. Few adopt a systems and/or a systems-change approach to considerations of early childhood services, embracing the disciplines of education, health, and social welfare as they affect children from the prenatal period through the early years of formal schooling. And few

use a systematic methodology that permits this kind of detailed analysis. These are the contributions of this study generally, and the intention of this narrative is to present Australia's place in that evolving story.

Considerations

Two important considerations contour this narrative. First, and unlike other studies, this analysis does not make causal claims regarding the potency of ECEC as a panacea for improving child outcomes, nor does it intend to endorse any one mode or strategy associated with ECEC. Stated simply, this study considers why, how, and with what effects ECEC systems have emerged in six high-performing countries, Australia among them.

The second consideration relates to the focus on high-performing countries, coming at a time when so much attention is both lodged in, and aims to advance, ECEC in low- and middle-income countries (LMICs). Fueled by concerns regarding the comparatively low performance of American students on international benchmarking assessments, the National Center on Education and the Economy (NCEE), the study's funder, is interested in understanding elements of jurisdictional policies, practices, and reforms in countries that score well on PISA (the Programme for International Student Assessment). The goal is to discern variables that may account for discrepant country performances on PISA, with the intent of elevating the somewhat lackluster performance of the United States and other nations. Given that ECEC has been one of the most prominent educational reforms of the last two decades and is convincingly associated with producing significant long-term gains in students' academic and life performance, NCEE was interested in supporting the development of a comparative study to discern the nature, scope, and promising practices associated with ECEC systems implementation in high-performing PISA countries that perform well on PISA. Precisely, how high-performing is defined and how participating countries were selected for the study is discussed below.

Study Architecture

ECEC systems work is complicated, yet inescapable. A scholarly commitment to unmasking this complex territory using a systems lens distinguishes this study from others and provides the groundwork for its contributions. Those who understand ECEC readily acknowledge that it must be examined in its totality (Bruner, Stover Wright, Gebhard, & Hibbard, 2004; Gallagher, Clifford, & Maxwell, 2004; Kagan & Cohen, 1996; Sugarman, 1991; Vargas-Barón, 2013). No one program or intervention can be a proxy for ECEC. No single approach to pedagogy can begin to explicate the complicated and fascinating panoply of policies that converge to create services for young children. But understanding the totality of ECEC is difficult because no country consolidates all the pre-primary services accorded to young children in a single ministry or at a single level of government. In addition to organizational chaos, ECEC policies face temporal changes; they often emerge during one year, only to disappear in the next, typically with changes in political leadership. Service access varies dramatically among countries (OECD, 2012), as does children's well-being (UNICEF, 2013), even in rich countries. With ECEC not yet deemed a right in most countries, inconsistent and sporadic practices and policies are gamed on ideological playgrounds amidst changing rules, funds, and governance structures. To make sense of systems, both in general and ECEC in particular, conceptual or analytic frameworks are necessary, as is a set of clearly delineated research questions.

Conceptual Framework

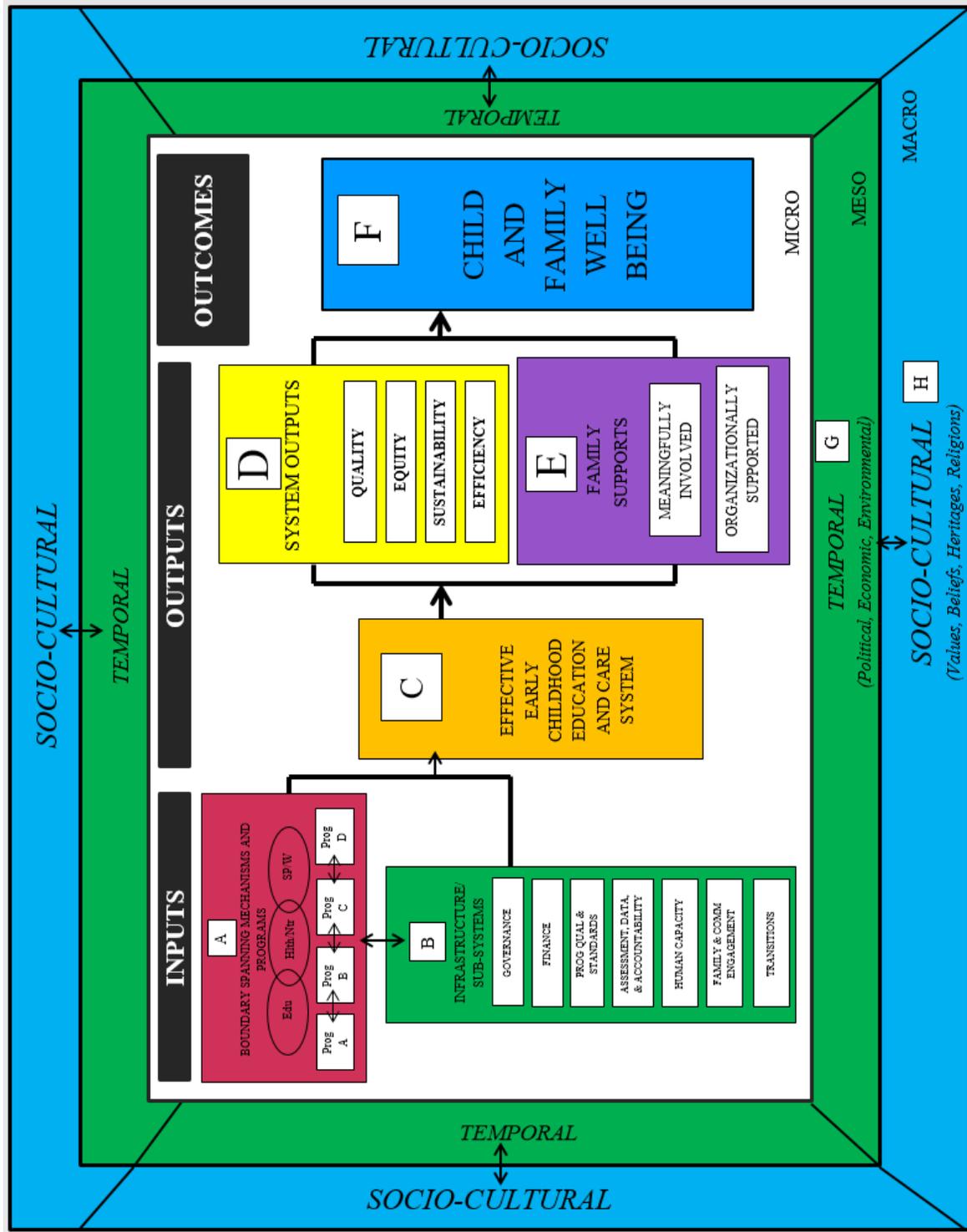
Considering the holistic nature of early development, the modal lack of consistent and durable ECEC policies, and the need for systems analyses, this study builds on prior conceptual grounding (Kagan, Araujo, Jaimovich, & Aguayo, 2016). The analysis

provisionally suggests that positive child and family well-being (F)¹ are predicated on systemic (high-quality, equitably distributed, sustainable, and efficient services) (D) and family goals (E), which are achieved only in the presence of an effective system (C). Such a system is based on a clearly delineated infrastructure (B) that supports diverse programs (A), sometimes linked by a boundary-spanning mechanisms (BSM) that integrate programs and services across ministerial boundaries. All malleable, these factors are encased in both temporal (political, economic, environmental) (G) and sociocultural (values, beliefs, heritages, religions) contexts (H).

With the goal of understanding each element of the analytic framework, the proposed analysis will focus on the programs/services (A), the infrastructure (B), and the way these conspire to yield an integrated system (C) that is capable of producing systemic outputs, within temporal (G) and sociocultural (H) contexts.

¹ Letters correspond to diagram below.

Figure 1.1 Theory of Change



Research Questions

Using the framework above, this analysis addressed a series of research questions that describe, compare, and analyze ECEC systems in the six study jurisdictions. Guided by an effectiveness standard that privileges high quality, equitably distributed, sustainable, and efficient services, three sets of research questions were posed. Largely descriptive, the first set seeks to discern *what* understandings about each country's ECEC system actually exist, as well as the current status of the ECEC system. Comparative in nature, the second set of research questions seeks to understand *how* differences in ECEC systems have evolved, are structured, and produce their intended outcomes. Analytic in nature, the final set of research questions seeks to explain or conjecture *why* the systems have evolved and function as they do. All of the research questions are designed to understand the nature and contributions of ECEC systems to high quality, equitably distributed, sustainable, and efficient service provision. Sample research questions are provided below; the full set of research questions is provided in the volume *The Early Advantage: Early Childhood Systems That Lead by Example*.

Descriptive Questions – The What

- What does the country perceive its commitment to young children to be, and what contextual variables evoked this stance?
- What are the major ECEC policies, frameworks, programs, and services in place (e.g., parental leave, perinatal services, home visiting, child care, preschool, transition, health and mental health services, and services for developmentally and economically at-risk children)?
- What does the country perceive as the need for, and elements of, an ECEC system, and to what extent are coordinating mechanisms (e.g., boundary-spanning mechanisms, coordinating bodies, mediating structures) and elements of the infrastructure (e.g., standards and monitoring, durable and sufficient financing, data systems, governance mechanisms, family and

public engagement, pre- and in-service professional and leadership development) in place?

Comparative Questions – The How

- How does the country value or “hold” young children, and how do these values frame policies and practices? Are there certain values that more heavily contour policies and practices, and how have they become instantiated in policy and practice?
- How do country policies vary over time as a result of changes in economic, political, and governmental (centralized / decentralized) conditions and structures? How do these changes affect patterns of implementation, and in the evolution of the ECEC system?
- How effective is the country in terms of the effectiveness of its ECEC system, as measured by its quality, equitable distribution, sustainability, and efficiency?

Explanatory Questions – The Why

- Why, and for what reasons, does the evolving ECEC system reflect durable country values and more transient country economics and politics? Why, and under what conditions, do ECEC systems evolve?
- Why, and under what conditions, can mediating structures have more potency, without centralizing government engagement?
- Why, and under what conditions, can a country focus on outcomes to improve services to young children? Can, and under what conditions, the contemporary support for young children be mobilized to yield greater effectiveness in quality, equitable distribution, sustainability, and efficiency?

Methodology

Country Selection

Two diverse constructs guided the jurisdictional selection: (i) PISA performance rankings for mathematics and (ii) high-quality rankings on measures of ECEC quality. For the purposes of this analysis, the top 30 PISA 2012 countries were broken into three groups (high, 1–10; medium, 11–20; and lower, 21–30), ranked according to their mathematics results. Three corresponding vertical columns were created: countries ranking 1–10 were grouped in the far left vertical column; countries ranking 11–20 were placed in the middle column; and countries performing 21–30 were placed in the far right column. To discern the quality of ECEC programs, the Economist Intelligence Unit (2012) report for the same year was used to rank the countries' ECEC efforts. Looking at countries from around the world, the report examined four criteria: (i) social context; (ii) availability; (iii) affordability; and (iv) quality. Using a composite score based on these four criteria, this analysis divided the top 30 countries into three groups (high, 1–10; medium, 11–20; and lower, 21–30), similar to the groupings used for the PISA rankings. Three corresponding horizontal rows were created for the Economist results: countries ranking 1–10 were grouped in the top horizontal row; countries ranking 11–20 were placed in the middle horizontal row; and countries performing 21–30 were placed in the bottom horizontal row. Next, the two grids were combined to create nine cells (three by three). For each cell, the overlapping countries were listed, as reflected in Table 1.1 below.

Two countries (Netherlands and South Korea) performed in the highest third on both PISA and the Economist ranking, whereas five countries (Denmark, New Zealand, Norway, UK, France) performed in the lower third on PISA and the upper third on the Economist rankings. Given these different performance profiles, and given that only five to six countries could be involved in this study due to fiscal and temporal constraints, one country from each cell of the three PISA high-performing countries (the

left column) and one country from each cell of the three Economist high-performing countries (the top row) was selected. These countries are highlighted in the table. This approach yielded five jurisdictions: South Korea, Hong Kong, Singapore, Finland, and the UK.² One additional country, Australia, was added for three reasons: first, it represented a totally different profile (medium PISA and low Economist rankings); second, unprecedented quality work is being undertaken in the country; and third, its mixed market and highly differentiated state approaches to early childhood remarkably parallel the United States.

Table 1.2 Selected Countries

	PISA HIGH	PISA MEDIUM	PISA LOWER
ECONOMIST HIGH	Netherlands South Korea	Finland Belgium	Denmark New Zealand Norway UK - England France
ECONOMIST MEDIUM	Hong Kong Switzerland	Germany Austria	Czech Republic
ECONOMIST LOWER	Japan Singapore Taiwan	Canada Australia	

Data Sources

The conceptual framework and the research questions presented above guided two distinct, yet related, reviews of the literature. The first is an analysis of multi-country studies that have been conducted on ECEC systems and the second is a review of

2. Ultimately, it was decided to study England as it is the largest of the countries in the UK.

Australian specific research, as well as pertinent policies and documents. Taken together, the two bodies of research represent the most recent data on ECEC systems available. In addition, interviews were conducted with key respondents within the country.

Literature Reviews

Multi-Country Studies. The purpose of the multi-country study analysis (later converted into a compendium) was to identify key lessons from previous studies and analyses of ECEC systems around the world to inform the study of Australian ECEC. By reviewing and analyzing multi-country studies focused on ECEC systems, which include significant attention to one or more elements of the infrastructure, the Compendium contributed to both the development of this country analysis and to the scholarship on comparative ECEC policy more generally. This is the first attempt to collate and synthesize global ECEC research using a systems lens. The review focused on discerning diverse methodologies, tools, and results of the limited number of similar studies that exist. Data from this review were helpful in reconsidering the provisional research questions and the methodological approach to this study. Information was gleaned from sixteen research studies, most of which were conducted after 2010, and represent all regions of the world. These data have been analyzed and compiled into a compendium (Neuman, Roth, & Kagan, in press).

Australia-Specific Documents. To obtain a detailed overview of the evolution and contemporary status of ECEC in Australia, numerous documents were reviewed. This included legislation (Education and Care Services National Law, Family Assistance Legislation), policy documents (National Quality Standard, national agreements in early childhood and Indigenous reform), and frameworks (national ECD strategy, early learning frameworks, child and family health services, and *Protecting Australia's Children*). Empirical research conducted in or about Australia ECEC was also reviewed. Additionally, while many of the documents were well known, in order to capture failed

and visionary efforts, additional unpublished literatures were also reviewed. A complete list of the key documents reviewed is attached as Appendix A to this study.

Key Respondent Interviews. In order to garner the most recent information regarding the status of the ECEC system in Australia, a series of key respondent interviews was conducted. Given that this analysis is the first comprehensive examination of the full ECEC system in Australia, it needed to include a diverse set of key respondents. Guiding the sample selection was a commitment to including diverse voices so that even a comparatively small sample could deliberately capture contrasting perspectives and, in some cases, disconfirming evidence. For all countries involved, the sampling frame included individuals from the government, the private sector, representative bodies, and the academic community. In Australia, senior ministry personnel were interviewed, including representatives from the Ministries of Education, Social Services, and Health. In addition, the national minister with responsibility for ECEC was interviewed. Representatives from the ECEC community were also interviewed, as were individuals from Indigenous communities. Finally, scholars and various representative bodies were included. In Australia, 27 individuals were interviewed or consulted; they are listed in Appendix B. Taken together, these individuals provided diverse perspectives on ECEC history, policies, services, and trends in Australia.

Data Collection

Document review preceded the key respondent interviews and served as the basis for the development of interview protocols. Each document was reviewed for its salience to the research questions and key data from each document was summarized. The respondent interviews were collected over a three-month period, with each interview lasting approximately 60 minutes. In all cases, notes were taken during interviews and respondents were provided with summaries for validation. Overall, data collection took six months.

Data Analysis

With the goal of producing an accurate and revealing story, a systematic process was used to analyze the data. Since the data are both quantitative and qualitative in nature, the Australia team used different strategies to analyze each data set and then integrated the key lessons. The quantitative data were reported as they were extracted from primary sources; all quantitative data are attributed. The qualitative data were summarized into field notes that were then reviewed for policy and practice trends and concrete examples. Data were integrated to discern key convergent and divergent themes that were expanded as the analysis was written. Primary source documents were consulted as the report was written. Once key themes were identified and substantiated, a draft document was prepared and reviewed by the internal Australia team and its critical friends.

Analysis Validation

Committed to the highest standard of research, this analysis was validated at several points in its evolution. First, lead investigators from each of the six jurisdictions and the study's principal investigator (the international team) co-developed the data collection instruments. Developed for a prior study, these instruments were adapted for use in the present analysis and piloted in some of the counties to assure their validity for the current study. Second, categories of interview respondents were reviewed and confirmed by the international team with the goal of fostering a breadth of diverse, yet informed, interviewees. Agreed upon by the full team, the interviewee categories were content validated by the team. Third, the final draft of each of the six case studies was subjected to an internal review by knowledgeable Australian ECEC experts who were not affiliated with the study. Finally, the study was reviewed by external experts from the staff and board of the National Center on Education and the Economy.

Limitations

Three limitations characterize this study. First, the ECEC system in Australia is in a state of flux. Over the course of the study the Australian Government was seeking commitment to child care funding reforms, and the implementation of the ECEC quality reforms was also being reviewed. Amended legislation on the funding of ECEC services and refinements to the quality rating assessment system were debated and passed in the first quarter of 2017. In addition, responsibilities for ECEC in Australia are distributed across national and state/territory jurisdictions, resulting in multiple different efforts underway across the country. This suggests that this analysis, although broadly reflective of the overall portrait of Australia, simultaneously presents a snapshot in time. The field of ECEC systems, however embryonic, is changing and this study must be understood within its dynamic contextual realities.

Second, as is the case for any qualitative research, the positionality of the lead investigator influences the interpretation of the data. While efforts have been made to validate the accuracy of the information provided, some of the content of this analysis is subjected to the interpretation of the lead investigator and team, most of whom are research scholars. Such positionality is somewhat mitigated by the reality that the authors have conducted cross-national work and by the fact that numerous international and external reviewers have examined the content of this study.

Finally, this study captures the nature and evolutionary process associated with the development of an ECEC system in Australia. As such, it is based on a conceptual framework that specifies the outputs of systemic work in four areas: quality, equitable distribution, sustainability, and efficiency of services. The efficacy of the systems is, therefore, predicated on achievements in these outputs. Unlike many other ECEC studies, this study cannot and does not make any attributional claims or suggest correlations with, much less causality for, specific *child* outcomes, either in the short- or long-term. In this analysis, however, the four areas are conjectured to be both an output

of the system and, along with families, as an input to child outcomes. Although this lack of direct focus on child outcomes may be regarded as a limitation of the study, the authors see it as a groundbreaking contribution to discerning key systemic variables that may help account for the accomplishment, or lack, of such outcomes.

Definitions and Abbreviations

ACECQA	Australian Children’s Education and Care Quality Authority
AEDC	Australian Early Development Census
AESOC	Australian Education Senior Officials Committee
AIFS	Australian Institute of Family Studies
AITSL	Australian Institute for Teaching and School Leadership
ARACY	Australian Research Alliance for Children and Youth
ARC	Australian Research Council
BBF	Budget Based Funded program
CC	Child care (including long day care, family day care, and outside school hours care)
CCB	Child Care Benefit
CCMS	Child Care Management System
CCR	Child Care Rebate
CCTR	Child Care Tax Rebate
COAG	Council of Australian Governments
CPI	Consumer Price Index
ECD	Early childhood development
ECEC	Early childhood education and care
EYLF	Belonging, Being & Becoming: The Early Years Learning Framework for Australia
FaFT	Families as First Teachers
FDC	Family day care
GCCB	Grandparent Child Care Benefit
GDP	Gross domestic product

HIPPY	Home Interaction Program for Parents and Youngsters
JETCCFA	Jobs, Education and Training Child Care Fee Assistance
LDC	Long day care
LSAC	Longitudinal Study of Australian Children
LSIC	Longitudinal Study of Indigenous Children
NAPLAN	National Assessment Program — Literacy and Numeracy
NDIS	National Disability Insurance Scheme
NHMRC	National Health and Medical Research Council
NPA UA ECE	National Partnership Agreement on Universal Access to Early Childhood Education
NQF	National Quality Framework
NQS	National Quality Standard
OECD	Organization for Economic Cooperation and Development
PwC	Price Waterhouse Coopers
QIP	Quality Improvement Plan
RACP	Royal Australian College of Physicians
RCT	Randomized Controlled Trial
ROGS	Report on Government Services
RTO	Registered Training Organization
SCCB	Special Child Care Benefit
STEM	Science, technology, engineering, mathematics
TAFE	Technical and Further Education
VEYLDF	Victorian Early Years Learning and Development Framework

Acknowledgements

The investigators from each country worked with Sharon Lynn Kagan to provide explanatory materials and syntheses for the *Comparative Study of Early Childhood Education in High-Performing Countries*. Kagan’s leadership and advice during the preparation and editing of this case study was outstanding in supporting the core strategy and the operational details of this case study.

Collette Tayler as lead investigator was ably supported by two team members. Profound thanks to Tom Peachey, ACIL Allen Consulting, Collins Street Melbourne for his intellectual input, his significant operational work during the “Australia” data collection, and the initial drafting of the Australia Case Report. Bridget Healey deserves special mention and abundant thanks for her work in the framing the latter section of this document and in the final stages of the manuscript preparation. Sincere thanks also to Emily Walker, Senior Policy Officer, Early Years and Primary Reform Division, Victoria Department of Education and Training for her invaluable assistance in sourcing, summarizing, and processing relevant data for the report.

We are especially grateful to the key respondents to this study (listed in Appendix B), from all levels of the system, who generously gave their time, insights, and ideas about the Australian ECEC system, its functioning, successes, and challenges. Their feedback and ideas were immensely helpful in shaping the final report.

The conduct of this study was approved by the Human Research Ethics Committee of the University of Melbourne (Ethics ID 1647029.1).

The Early Advantage



Part 2 General Country Context

Chapter 2: Country Background

This chapter presents the Australian context and distinguishing characteristics that portray the way the country functions, referencing the social, economic, and political history, as well as the nature of the country's social commitments. The chapter sets the scene for readers to appreciate Australian characteristics that influence young children and impact upon the services they receive.

Key Points

- Australia is a democratic and open society with an egalitarian outlook.
- Australia has a federal system of government underpinned by a Constitution established in 1901. This has provided a stable governing and political framework.
- Australia has an advanced economy that experienced continued growth over the past two decades, resulting in real income growth across the income spectrum, but also growth in income inequality.
- The Australian Constitution divides powers between the commonwealth, states, and territories; however, there are areas of unclear responsibility and/or overlap.
- Australian Government funding of social services and welfare cash benefits is consistent with a liberal welfare framework in which families typically access services from a market.
- Education performance, while above the OECD average, is declining while others are advancing. Australia also has a wide spectrum of educational performance for different socioeconomic populations.
- Some Australians have experienced persistent exclusion and disadvantage, particularly Indigenous Australians and those in the lowest socioeconomic groups.

Historical Context

Australia is a democratic nation characterized by the rule of law in everyday life as part of an open society, and the equal protection of human rights, civil rights, and political freedoms. Australians see themselves as egalitarian, with a focus on “a fair go” in which everyone can fulfill their aspirations. In practice, the application of “a fair go” has been gradual for many, including women and Indigenous Australians.

Australia is home to the most ancient continuous cultures on earth. Its Aboriginal people have lived on the continent for over 50,000 years, or 2,000 generations. There is diversity among different Indigenous communities and societies in Australia, including varying cultures, customs, and languages. There were approximately 600 distinct Aboriginal nations in Australia when, in the late 18th century, the British established colonies. By the end of the 19th century, British and European settlers had colonized most of the continent. During this period and beyond, Indigenous families experienced the forcible removal of their children from local family and community settings.

The Commonwealth of Australia was formed on January 1, 1901 through a Constitution that created a “federal” system of government. Through this Constitution, power was divided between the Australian Government and six state governments. The six states retain the power to make their own laws over matters not controlled by the Australian Government under the Constitution, including schooling. The Australian Government has power to direct two territories, the Northern Territory and the Australian Capital Territory. Powers relating to education remain with the states, as does responsibility for local government (for more details see page 34). More than a century since federation, the assertion of states’ rights continues to be a theme in commonwealth–state relations. The Constitution also provides for a division of fiscal powers, with the Australian Government holding most revenue-raising mechanisms. This imbalance in financial power has provided the Australian Government with a lever with which to influence state policy in areas including early childhood education and care (ECEC).

Having no extant constitutional presence, ECEC reflects the different historical programs and philosophies of Australian and state governments. Historically, the pattern and emphasis of ECEC development has been different for each state, while various Australian Government initiatives have been overlaid across state efforts, creating a complex policy landscape. The focus on ECEC by different Australian Governments has changed over time, with respect to the types of settings that should be funded and who should bear the cost. A historical split in ECEC development in Australia was the emergence of parallel systems of “care” and “education,” with child care funded by the Australian Government (since the early 1970s under the Child Care Act 1972) to support workforce participation, and preschool delivered by the states and territories under their education responsibilities (Australian Government, 1972). Despite attempts to bridge this divide, it remains apparent in terms of service delivery and quality.

Preschool has historically been conceived as a social and learning environment, and has a longer history of operation and access than child care provision. In some states and territories, preschools developed as part of school systems, while in others they have been operated by community groups. Children have typically attended preschool on a sessional (short hours and not always for a five-day week) basis in the year before school. Service policy and funding for preschools is located within state and territory departments of education.

Child care, primarily in the form of “long day care” (LDC), provides center-based services that offer care usually from 8 a.m. to 6 p.m., and has grown rapidly in recent decades. The aim of funding was to enable safe care for children during parental paid-work hours. Initially, funding supported access to not-for-profit services, usually managed by parent associations, church groups, local governments, and community organizations. In 1990, the Australian Government extended the availability of child care fee subsidies to families using for-profit ECEC services, fuelling rapid expansion of the private sector in the field of ECEC (McIntosh, 2002). The funding rationale was to

provide equity for the large proportion of families using private centers without access to fee subsidies and to stimulate investment in child care from the private sector.

Australia's welfare and social programs have a long history. Notable is their expansion in the early 1970s through the establishment of Australia's universal health care system and through national funding made available for child care by a socially activist Australian Government. This socially dynamic period generally afforded greater rights to women and, to some extent, Indigenous Australians. In subsequent decades, a focus on markets and privatization of public sector services characterized significant reforms related to liberalizing the Australian economy and role of government in social programs. This direction, pursued by successive governments, promoted the private sector's provision of social services (including child care) and raised debate about the level of government regulation needed in the social services market. The liberal welfare framework continues to be the dominant model defining the role of government in Australia.

The importance of human capital development to Australia's economic prosperity came to prominence in the 2000s, when the Australian federal, state, and territory governments agreed on a National Reform Agenda as a means of improving productivity. This agenda included reforms in health, workforce participation, education, and training. The education and training arena sought to equip more people with the skills needed to increase workforce participation and productivity, with four targeted areas: early childhood development, literacy and numeracy, transitions from school to further education or work, and adult learning. The early childhood development reforms, agreed as part of the National Reform Agenda in 2007, initiated a substantial period of change in Australia's ECEC sector.

From the mid-2000s, there has been greater policy recognition of the dual contribution of ECEC to workforce participation and to young children's development, particularly more vulnerable children. This has resulted in stronger government and community

commitment to the accessibility of ECEC programs, and the importance of quality provision. However, despite these social shifts, and despite the importance of the early years to later social and educational development, there has been only partial progress in breaking down the division between “care” and “education.” This division remains entrenched in provision planning and organization, funding formulae, expectations of some service types, and wages and industrial conditions of staff.

In contrast to the government-planned school education model, the planning and organization of ECEC services reflects a market-based model in which the main government role is regulation and the provision of subsidies. Parents purchase services from a market of services, and government funding is directed to the parents to offset the cost of participation. This market orientation continues to dominate the ECEC landscape.

Geographic/Demographic Context

The population of Australia is estimated at over 24 million in 2016 (ABS, 2016). The average annual rate of growth in the population is expected to be 1.3 percent over the following four decades, slightly lower than the annual average population growth rate of 1.4 percent over the past 40 years (The Treasury, 2015). A significant trend is the aging of the population. This has implications for service provision, such as growing health-related expenditures, and foreshadows a reduction in the proportion of working-age, tax-paying Australians. While there are currently five people of working age for every person aged 65 and over, this number will almost halve to 2.7 by 2050 (The Treasury, 2015).

On average, Australia has low population density, with fewer than three persons per square kilometer of total land area. However, 89 percent of Australia’s population lives in urban areas, with most people being concentrated along the coastlines (The World Bank, 2017). A declining population in rural and remote Australia reflects the effect of social, economic, technological, and industrial changes on these communities. There are

higher-than-average levels of unemployment, poverty, and disadvantage in these areas. This places additional pressure on educational and social services in a context where distance and delivery already make access and participation difficult. The divide between remote, rural Australia and urban Australia provides equity challenges in a range of policy contexts.

Approximately 2.5 percent of Australia's overall population, and about 4 percent of the child population, are Indigenous (Aboriginal and Torres Strait Islander) (ABS, 2011). The geographic distribution of Indigenous Australians differs from the broader population, although the largest number of Indigenous Australians reside in urban areas. Indigenous people comprise 1 percent of the population in major cities, 3 percent in inner regional areas, 6 percent in outer regional areas, 15 percent in remote areas, and 49 percent in very remote areas (AIHW, 2015).

Sociocultural Context

Australia can be regarded as a relatively successful multicultural society comprised of residents from a rich variety of cultural, ethnic, linguistic, and religious backgrounds. While Indigenous peoples are the original inhabitants, waves of migration have contributed to the creation of an Australian nation with a distinctively diverse culture. Now, immigrants from some 200 countries reside in Australia. At the 2011 population census, approximately 28 percent of the total population was born outside Australia and 34 percent had both parents born overseas. Until the 1970s, most immigrants to Australia came from Britain and Europe. Since then, Australia has been receiving many more immigrants from Asia, and since 1996, the number of immigrants from Africa and the Middle East has almost doubled. English is the national language of Australia and is spoken by most of the population (ABS, 2011).

Australia has no official religion. Since European colonization, Christianity has been the predominant faith, though this is diminishing. In the 2011 census, 22 percent of Australians stated that they have no religion and 61 percent of the population classified

themselves as being affiliated with a Christian faith, which was down from 68 percent at the 2001 census (ABS, 2011).

Political Context

The Australian Constitution (see page 29) supports a stable, federal political system. The federal system has been a key mechanism undergirding Australia's success as a peaceful, prosperous, and democratic society. The Constitution divides powers between governments in areas of welfare and service responsibility, with the federal government having broad national powers. Among other things, it administers laws related to defense, immigration, foreign affairs, trade, postal services, and taxation. State/territory governments have the power to enact laws in areas not covered by the Australian government, which include hospitals, schools, police, and housing services. There are, however, some areas of unclear responsibility and areas of overlap, particularly relating to social services. Furthermore, a national referendum in 1967 had the effect of giving the Commonwealth Parliament power to legislate with respect to Indigenous peoples living in a state as well as those living in a federal territory. This referendum is the source of many social-, health-, and education-related initiatives stemming from the Australian government (National Archives of Australia, n.d.). The powers of local councils are defined by acts of parliament passed by state parliaments and include responsibility for building regulations, rubbish collection, local roads, and pet control (Parliamentary Education Office, n.d.).

There are some areas where service responsibility is unclear, which may occur for several reasons. For example, some services provided in a modern society were not envisaged in the development of the Constitution in 1901. Moreover, different governments over time have introduced services in response to political and economic circumstances.

The Council of Australian Governments (COAG), established in 1992, provides a forum to promote cooperative action on policy reforms among governments. A series of

national agreements exist to identify roles and responsibilities, and facilitate Australian Government funding to states and territories delivering the services in key sectors. There are national agreements in health, education, skills and workforce development, disability services, affordable housing, and Indigenous reform.

Socioeconomic Context

Australia has a strong and growing economy. In 2012, Australia had the twelfth largest national economy by nominal gross domestic product (GDP), and in 2015 had a GDP of \$1.17 trillion³ (AUD \$1.62 trillion) (IMF, 2015). Australia has benefited from over 20 years of uninterrupted annual economic growth. Australia's economy is dominated by an extensive services sector underpinned by a well-educated workforce. The services sector comprises more than 60 percent of GDP, and almost four out of five jobs (Department of Industry, Innovation, and Science, 2016). This sector includes education, finance, tourism, and retail.

Australians are well-off by international standards. In 2015, Australia had the second highest median adult wealth in the world after New Zealand (Credit Suisse, 2015). The average household disposable income per capita is above the OECD average, and the distribution of wealth is at the OECD average. Between 1995 and 2010 (corresponding with a mining boom), Australia experienced real income growth across the income distribution, but also an increase in income inequality. Its Gini coefficient (a commonly used measure of income inequality) of 0.309 was the same as the OECD average in 1995, but in 2010 was at 0.334 (Fletcher & Guttman, 2013), exceeding the OECD average.

3. Dollar amounts reported in this case study report are U.S. dollars, with Australian dollars bracketed for Australian readers. The conversion followed the US Bureau of Fiscal Service Treasury Department protocols, using the current quarterly conversion rate of exchange (December 31, 2016). On this exchange rate AUD\$1.3850 is equivalent to US\$1. The convention used for a billion is a thousand million (109) (Bureau of the Fiscal Service, 2016).

Government tax revenues are dominated by the Australian Government: In 2010, it received 80.3 percent of Australia's total tax revenue, representing the sixth highest central government share amongst OECD countries (The Treasury, 2013). Australian Government funding of social services and welfare cash benefits is consistent with a liberal welfare framework in which funding is progressive (lower rates of support for more well-off earners), and families access services from a market. The states and territories focus more on the provision of services.

Educational Context (Primary, Secondary, and Tertiary)

The Constitution of Australia allocates primary responsibility for school education to the state and territory governments, which provide and manage government schools and support non-government schools. All schools must be registered with the state or territory education department and are subject to government requirements in terms of infrastructure and teacher registration (certification). Government schools provide free, compulsory, and secular education, and are the direct responsibility of the relevant state or territory education minister. Non-government schools are established and operate under conditions determined by the government registration authorities. In 2014, government schools continued to be the major provider of school education in Australia, hosting 65 percent of all students, while the remaining 35 percent of students attended nongovernment schools (SCRGSP, 2016). Schools are not-for-profit organizations.

School education (primary and secondary) is similar across Australia, with only minor variations among states and territories. Attendance is compulsory between the ages of 6 and 16 (Year 1 to Year 9 or 10). School education comprises 13 years (including the first preparatory year at age 5), and is divided into:

- *Primary school* – Runs for seven or eight years, starting at preparatory / kindergarten through to Year 6 or 7

- *Secondary school* – Runs for three or four years, from Years 7 to 10 or 8 to 10
- *Senior secondary school* – Runs for two years, Years 11 and 12.

Most children start full-time schooling at age 5, when they enroll in a class that is variously called “preparatory,” “kindergarten,” “transition,” “reception,” or “pre-primary,” and remain at school beyond the age of 15. Prior to full-time enrollment, the majority will have already had some part-time preschool experience. Participation rates for the compulsory years of schooling are high, but decline in senior secondary school. Nationally in 2014, 100 percent of children aged 6–15 years were enrolled in schools, while 57 percent of 15- to 19-year-olds were enrolled (SCRGSP, 2016).

While Australia has traditionally been a high performer in international comparisons of school education, in recent years a downward trend in relative performance has emerged. In PISA 2015, Australia performed 10th in science (down from 8th in 2012), 20th in mathematics (down from 17th) and 12th in reading (down from 10th) (Thomson, De Bortoli, & Underwood, 2016). Overall, Australia has fewer underperforming students than the OECD average, and the impact of students’ socioeconomic background on performance is slightly below the OECD average. However, Australia has one of the widest ranges of student achievement, with what is often described as a “long tail of underachievement”: This means a difference of nearly three years of schooling between students in the highest quartile and the lowest, with similar differences occurring when comparing Indigenous with non-Indigenous students (Thomson et al., 2016). These differences are similar to those evident in performance on Australia’s National Assessment Program – Literacy and Numeracy (NAPLAN), which is conducted annually with all students in Years 3, 5, 7, and 9. Attainment rates for senior secondary education are at the OECD average. However, a gap of 20 percentage points for completion of Year 12 exists between the students from low socioeconomic backgrounds (74 percent) and those from high socioeconomic backgrounds (94 percent) (COAG Reform Council, 2012). The enrollment rate in senior secondary vocational

education and training is above the OECD average, as is the attainment rate in tertiary education. In the OECD Survey of Adult Skills, proficiency in literacy among 16- to 65-year-old Australians is above average. Proficiency in numeracy in this survey is at average, with 16- to 24-year-olds performing somewhat higher.

NOTE: Examples placed in boxes throughout this report represent illustrations of signature efforts by governments to reveal and/or address issues deemed to be important by policy leaders and civil society.

Box 1: Socioeconomic Trajectories of Australian Children Before and Through School (NAPLAN Years 3, 5, 7, and 9).

Achievement disparities are evident at age 3–4 years and at the outset of Primary Year 3; these disparities continue over time.

- NAPLAN is undertaken on the direction of the COAG Education Council. Annual assessments of all students in Years 3, 5, 7, and 9 test across four domains: reading, writing, language conventions, and numeracy. In addition to collated results allowing for national comparison, each student receives an individual report.
- Research indicates that the achievement levels of disadvantaged students are considerably lower at Year 3 and these gaps persist (and, in the case of numeracy, widen) throughout their school careers. Children from schools with a low socioeconomic index, Aboriginal students, and students from transient families display the largest achievement gaps.
- On average, students experiencing multiple disadvantages are just above national minimum standards in numeracy and reading. By Year 9, they are at least three years behind their more advantaged peers.
- Even after controlling for remoteness and socioeconomic status, Aboriginal students perform at a lower academic level than the general population. Lower

attendance levels among Aboriginal students can account for part of this disparity; however, other factors, including the negative schooling experiences of some parents, are also at play.

- Achievement gaps are exacerbated by absence from school, with absences impacting negatively on NAPLAN scores. Disadvantage is strongly associated with poorer school attendance. More advantaged children have higher achievement levels, regardless of attendance.
- Population evidence is not available on the achievement of 3- to 4-year-olds; however, the E4Kids study describes the inputs to changes in 2,500 children's abilities, as variability is evident in the developmental pathways of children long in advance of their entry to school. There is a persistent relationship between children's level of ability from age 2 to 4 and family health care card status (an indicator of low income or other welfare eligibility), parental education and employment status, household composition, total household income, child main language, and the frequency of reading to the child. There is also a strong association between child ability and the family's area of residence. In all cases, the relationship is consistent with a vulnerability or SES gradient: More advantaged children perform better in the range of measures applied.
- E4Kids children with low baseline achievement scores performed two years below the level of ability expected for their age. With typical ECEC provision, differences between children on entry to school persisted. This finding lends support to policies providing intensive early intervention programs for targeted populations, and leaves open the questions of what level of quality in ECEC programming and what amount of the time spent in the program are needed to make a significant positive difference on young children who have low levels of baseline achievement (Hancock, Shepherd, Lawrence, & Zubrick, 2013; Tayler, Cloney, & Niklas, 2015).

Policy Process

Policy formulation in Australia is closely tied to democratic processes. Generally, policy is proposed by government ministers and debated by the broader community, typically through structured reviews under the auspices of government. It is the role of government departments to formulate and provide advice to the minister and government on policy. This includes the production of impact statements and budget implications. Following government endorsement, policy changes require parliamentary approval to become law.

The Australian Constitution identifies areas in which different governments have authority to make policy. In some instances, policies will be developed and implemented by the responsible government. In other policy areas, cooperation between the levels of government (federal, state/territory; across departments) will enable the coordinated development and implementation of policy. COAG provides the mechanism for coordination of cross-government effort. Ministerial councils sit within the auspice of COAG for some sectors. For example, the COAG Education Council provides a forum through which strategic policy on early childhood, school education, and higher education is coordinated nationally, and through which information can be shared and resources used collaboratively to address issues of national significance. The COAG Education Council is primarily supported by a group of senior officials with responsibility for early childhood, school education, and higher education, who meet as the Australian Education Senior Officials Committee (AESOC). AESOC is directly responsible to the Council for the execution of its decisions.

Summary: Key Themes for Consideration

Both child care and preschool make up the Australian ECEC system, but there is a historical separation between child care and preschool in Australia, linking back to responsibilities set out by the Constitution. Child care is sponsored by the Australian Government under social service/protection power and enacted under a market model

(since the 1970s), with operational responsibility transferred to the state and territory governments. Preschool is sponsored by state and territory governments under education power, and depending upon the jurisdiction is enacted and operated through non-profit community groups and/or schools. Because the political context enables the Australian Government to collect most taxation revenue (more than 80 percent), collaboration and formal agreements are required between the Australian Government and the states and territories, the latter overseeing the operation of Australian ECEC (child care and preschool) provision.

Australia's very low population density, across a vast geography, makes the equitable supply of educational and social services particularly challenging: There are well documented disparities in achievement linked to (rural) isolation, low income, and poor employment opportunity in the diverse regions of Australia. Indigenous Australians experience significant disadvantage through lack of access and opportunities afforded through government-sponsored services. Under the Constitution, the Australian Government has been responsible for Indigenous programs and access to social health and education related services since 1967.

Chapter 3: Conditions of Young Children

This chapter reports the overall conditions of Australian young children (birth to the age of formal school entry) and their families, including information on general well-being irrespective of the services children receive. The conditions of Australian children today are affected by the country's context, values, and capacity to serve children in diverse circumstances and locations.

Key Points

- In mid-2016, there were an estimated 1.57 million children under age 5 in Australia.
- The significant majority of children live in major cities or inner regional areas. Indigenous children are almost eight times as likely to live in remote and very remote areas.
- The well-being of children in Australia is sound on many indicators; however, many children experience developmental risk or vulnerability at some point.
- There are key groups that experience greater risk. Disadvantaged circumstances for children include living in a low-income and/or single-parent family, requiring child protection services, and growing up in remote areas. Many Indigenous children grow up in these circumstances.
- Maternal employment rates have risen over recent decades. Mothers whose youngest child was under 12 years old were more likely to work part-time than full-time.

Demographic Data

As of June 2016, there were an estimated 1.57 million children under 5 years of age in Australia, accounting for 6.5 percent of the total population (ABS, 2016). While the number of children in Australia has increased in past decades, the child-aged population declined as a proportion of the total population. This is due both to lower

fertility rates and increased life expectancy. Reflecting the general population, the significant majority of children live in major cities or inner regional areas, while around 3 percent of children live in remote and very remote areas. As of 2011, 21.2 percent of Australian children aged 0–5 years have non-English-speaking backgrounds (ABS, 2011).

Most children aged 0–14 years in Australia were born in Australia (92 percent, or 3.8 million in June 2009) and the proportion of children born overseas is lower than for the general population—8 percent, or around 345,000 children, compared with 27 percent in the general population (ABS, 2011). The children living in Australia who were born overseas came from 183 different countries, with approximately half coming from non-English-speaking countries (AIHW, 2011a).

It is estimated that Indigenous Australians comprise 2.5–3 percent of the overall Australian population. Among Indigenous Australians, children make up a larger proportion of the population, relative to the age composition of other Australian groups. In 2011, 33 percent of the Indigenous population were aged 0–12 years, compared with 17 percent overall (ABS, 2011). Indigenous children were almost eight times as likely to live in remote and very remote areas as children overall, although most Indigenous children lived in major cities, inner regional, and outer regional areas. On a range of indicators, all children living in more remote areas compared to those in major cities are more likely to be worse off: They are more likely to die as infants, be of low birth weight, and be developmentally vulnerable at school entry. Such challenges often continue into adulthood (AIHW, 2011a).

Children with Diverse Health and Development

The overall health, development, and well-being of children in Australia are sound on many indicators. However, not all children fare well. Approximately 6 percent of Australian infants are born with low birth weight (below 2,500 grams) (AIHW, 2011a). This is marginally better than the OECD average. Babies of Indigenous mothers are

twice as likely as those of non-Indigenous mothers to be of low birth weight. In 2008, rates of low birth weight were similar among infants of mothers born overseas and those born in Australia, including those from mainly non-English-speaking countries (AIHW, 2011a).

Early childhood disabilities are a significant challenge for children and families. Reported disability rates increase with age, from 3.4 percent of children aged 0–4 years to 8.8 percent of those aged 5–14 years. Of young children aged 0–4 years who have a diagnosed disability, almost two-thirds (63 percent) had a sensory (i.e., sight and hearing) or speech disability. Older children are more likely than younger children to have a reported intellectual disability. Physical disabilities are also commonly reported for both young (35 percent) and older children (27 percent) with a disability (ABS, 2012).

Children’s Living Conditions Across Diverse Households

The family and community conditions in which children grow up affect developmental outcomes. Some factors may increase the risk of poor outcomes and some factors may be protective:

- *Poverty*: Poverty is a fundamental risk factor for child development. The OECD reports a 13 percent rate of poverty in Australia for children aged birth to 17 years of age (OECD, 2014). In 2013–14, it is estimated that over 17 percent of Australian children were living in households experiencing poverty, using the OECD’s definition of poverty as 50 percent of relative median income and adjusting for housing costs (ACOSS, 2016). The well-being of children living in the lowest socioeconomic areas is generally poorer than those in the highest socioeconomic status (SES) areas. This includes higher likelihood of being born with low birth weight and of being developmentally vulnerable at school entry.

- *Families with dependent children:* There have been major changes in family formation and functioning since the mid-1970s. Of all families, couple-only (38 percent) and couples with dependent children (37 percent) were the most common family forms in 2011 (Qu & Weston, 2013). In 1976, in contrast, couple families with dependent children predominated (48 percent), while only 28 percent were couple-only families. The fact that contemporary Australian society no longer comprises a very large majority of families raising young children may affect the country's policy priorities.
 - *Role of Grandparents:* For most families with children, regular adequate income is the single most important determinant of their economic situation, and accessing affordable child care services is a concern for many. As a result, grandparents commonly care for grandchildren, with 28 percent of grandparents aged 40–69 years providing caring duties at least once a week (Baxter, 2016).
 - *Parental Employment:* The 2016 Labor Force Survey indicated that for Australian children aged 0–4 years, approximately 48 percent were raised in couple families in which both parents worked either full-time or part-time, 32 percent were in couple families where one parent was employed, and 5 percent were in families where neither parent worked. Five percent of children aged 0–4 years were in single-parent families where the parent was employed, 1 percent lived with a single parent who was seeking work, and 7 percent lived with a single parent not in the workforce. For approximately 1 percent of children, the labor force status of one or both parents could not be determined (ABS, 2017).
- *Child safety and protection:* In 2014–15, almost 152,000 children received a range of (sometimes overlapping) child protection services: 107,100 were the subject of an investigation, 57,900 were on a care and protection order, and 54,000 were living away from home. The most likely group to receive child protection services were infants (children aged under 1), of whom 3.5 percent were served. Those aged

15–17 years were least likely, with 1.9 percent receiving these services. The median age of children receiving protection services was 7. The significant majority of children receiving child protection services were in home-based care, split between foster care and living with relatives. Overall, Indigenous children were seven times as likely as non-Indigenous children to have been placed under a child protection order. There is also a socioeconomic gradient, with 37 percent of children in child protection being from the lowest socioeconomic quintile on available data (AIHW, 2016b). This service is currently the subject of numerous national, state, and territory reviews.

- *Refugees*: Children from refugee backgrounds may access a range of protective and restorative services, as they require special supports as the result of experienced trauma. Catering to these children within the ECEC system is proving to be challenging: Services and systems do not always recognize diverse family cultures and structures, resulting in ways of providing services that may be at odds with the expectations and prior experiences of refugee families. For example, child rearing practices are a core product of cultural, social, and family functioning, and Australian services typically reflect child rearing and family practices that represent English-language speaking, contemporary western democracies. This may pose fundamental challenges for some refugee families and children, related to the use of language, assumed customs and beliefs, the role of women, and understandings and practices related to the upbringing of children.
- *Teenage parents*: Of all mothers with children under 18 years old, the proportion who were employed increased progressively from 46 percent in 1985, to 55 percent in 1991, to over 60 percent in 2011. Mothers whose youngest child was under 12 years old were more likely to work part-time than full-time, while full-time work was slightly more common than part-time work for mothers whose youngest child was 12–17 years. In addition, although partnered mothers were more likely to be employed than sole mothers, the maternal employment rates

apparent for both single and dual parent families increased in this time (Weston, Qu, & Baxter, 2013).

Box 2: The Australian Early Development Census (AEDC)

This census takes place to monitor the overall development of young children across Australia. The evidence confirms a socioeconomic gradient of developmental vulnerability, and confirms that developmental risk exists across the socioeconomic spectrum.

- The Australian Early Development Census (AEDC) is conducted every three years, most recently in 2015. Unless their parents opt out, all Australian children are assessed by their teachers across five domains as they enter their first year of school (preparatory/kindergarten). Results are aggregated and available only at the community level. Families do not receive an individual report for their child.
- The five domains assessed by the AEDC are:
 - Physical health and well-being
 - Social competence
 - Emotional maturity
 - Language and cognitive skills (school-based)
 - Communication skills and general knowledge.
- The AEDC provides a snapshot and temporal trend data of the development of Australia's children. While there is a socioeconomic gradient of developmental vulnerability, developmental risk is present across the socioeconomic spectrum.
- Across all domains, there is a relationship between SES and developmental vulnerability. In 2015, children living in the most disadvantaged areas were twice as likely as those from the least disadvantaged areas to be developmentally vulnerable on one or more domains (32.6 percent and 15.5 percent respectively). They were three times more likely to be developmentally vulnerable on two or more domains (18.4 percent and 6.7 percent respectively).

- For children living in less disadvantaged areas, reported developmental vulnerability increased slightly between 2012 and 2015; however, there is little evidence of a lessening gap between the most and least disadvantaged.
- There is overall consistency between SES brackets in terms of children developmentally at risk: In 2015, 19.2 percent of children from the lowest SES quintile were reported as developmentally at risk at school entry, compared to 14.9 percent developmentally at risk in the middle SES quintile (DET, 2016a).

Summary: Key Themes for Consideration

The number of children under 5 in Australia (1.57 million) represents a relatively small cohort that is dispersed across a large landscape. Notably, the relative proportion of Indigenous youngsters is much greater than that of other groups with Australian society—the Indigenous population is young, and has experienced a history of exclusion since the settlement of the English in 1788. This cohort, more than others, lives spread across very diverse contexts (urban, regional, and remote) that pose additional challenges for the provision of high-quality ECEC services.

Like many contemporary Western societies, Australia is facing a growing issue related to the provision of optimal care and protection of children who come to the attention of the child protection agencies, either through investigations, orders, or removals from family into state care. This is a significant concern not only for Indigenous families, but for the overall ECEC system, which is challenged to provide adequate support for children who experience maltreatment, abuse, and neglect within family / community contexts; live with high levels of disadvantage through poverty; and hold refugee status.

Chapter 4: Policies Related to Young Children and Their Families

This chapter provides information regarding the laws, mandates, and policies that impact the aims, nature, orientation, and amount of services received by young Australian children and their families.

Key Points

- Australia’s ECE system is guided by two core objectives—workforce participation and child development. A cohesive vision for this system requires grappling with how to optimize outcomes on both sides of this equation.
- From 2007–09, the National Quality Framework (NQF) was developed and applied to all approved⁴ ECEC services across Australia. By 2016 the NQF was implemented, providing—for the first time—a nationally consistent regulatory framework for the licensing and provision of ECEC services across Australia.
- The NQF is significant for providing consistent regulatory conditions and standards for historically split “education/preschool” and “care/child care” services.
- Under the NQF, states and territories maintain the regulatory role. Governments (federal/state) maintain separate funding roles for the child care (long day care [LDC], family day care [FDC], and outside school hours care [OSHC]) and preschool system subsidies.
- In Australia, ECEC is generally provided through a market, and there is no statutory entitlement to access ECEC programs; however, 15 hours per week of preschool for all 4-year-olds is provided for free under the National Partnership

4. An approved ECEC service must take part in and comply with the NQF regulatory framework. These services receive taxpayer subsidies, regardless of their nonprofit or for-profit ownership status. There is a small number of other ECEC services, including occasional care, playgroups, and budget based funded (BBF) services provided for and within Aboriginal and rural/remote communities.

for Universal Access to Early Childhood Education. School provides the first statutory entitlement for children to access education.

- Through the Australian Government, most families are eligible for child care subsidies to offset child care fees, though this is income tested and from July 2018 will favor those engaged in the workforce / approved activities. Through the state and territory governments, all families accessing preschool are eligible for a level of subsidy to offset the cost of preschool relative to their income.
- Several significant policy frameworks support children's broader development, including Australia's Closing the Gap policy to improve outcomes for Indigenous Australians.

Legal Documents that Frame Service Delivery

The Establishment of a Nationally Consistent Legal Framework for ECEC Provision.

Over the last decade, the COAG Education Council developed and implemented a nationally consistent regulatory framework for the licensing and provision of ECEC services across Australia, known as the National Quality Framework (NQF). A significant reform, the NQF creates a jointly governed (by the Australian Government and state and territory governments), uniform national approach to regulation and quality assessment of all approved ECEC services. Importantly, the NQF adopts an "early learning" framework, which provides uniform conditions for education / preschool and care / child care services, which had historically been split. Upon implementation, it replaced existing separate licensing and quality assurance processes across commonwealth and state and territory governments. As such, the mandated NQF applies to all approved ECEC services (public and private) for children from birth to commencement of school, creating consistency and efficiency for service providers operating across states and territories (COAG, 2009a; COAG, 2009b; ACECQA, 2017a).

Box 3: How Did the COAG ECEC Reforms Get Accomplished?

Political commitment of the Australian Government was needed to give the impetus for change and ensure sector acceptance.

- The reforms undertaken by the COAG Education Council were impressive, particularly in the context of a federated country, since they transformed disparate ECEC policies and approaches into a coordinated, less complex, more quality-focused and transparent ECEC system.
- The reforms were driven by a newly elected Australian Government in late 2007, which came to power with a reform agenda that included a focus on human capital investment—an “education revolution.” Addressing early childhood development (and the ECEC system) was included as part of this revolution.
- The ECEC sector needed to reform: The OECD’s *Starting Strong II* report (2006) revealed relatively low investment, low access, questionable quality, apparently poor equity, policy and administrative incoherence, and no clear vision or focus in addressing children’s development and learning. Australian ECEC as a system looked unhealthy when assessed on international standards. In late 2008, the UNICEF league table reported the standard of Australian ECEC provision across 26 developed countries, with Australia meeting only two of the 10 basic standards.
- The 2008 collapse of Australia’s largest child care provider, ABC Learning, which had accounted for around 20 percent of the Australian long-day-care market, necessitated government intervention, and gave impetus to the reform progress.
- The sector was engaged in the reform process, particularly around the development of the *Early Years Learning Frameworks*. Several years into the process, the scale and cost of the reforms is causing some fatigue in the sector.
- The full implementation of the reforms was formally completed in 2016, and long term outcomes cannot yet be assessed (Tayler, 2009, 2016)

A snapshot of the NQF legal entities (Regulatory Authorities and ACECQA) and documents (national law, national regulations, the learning frameworks, the quality standard, and the rating system) is provided below in Figure 4.1.

Figure 4.1 Structure and Major Components of the NQF (adapted from Education Council, 2017)



Established on January 1, 2012, the NQF aims to raise quality and drive continuous improvement and consistency of ECEC services. The key legislated components of the NQF are:

- The *National Quality Standard* (NQS), a national benchmark for the provision of quality services across seven areas, including an approved learning framework that guides the development of quality early childhood programs (for example, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia*. Functionally, this document is regarded as a national curriculum for children from birth to school age).
- The *Education and Care Services National Law* and the *Education and Care Services National Regulations*, a national system for the regulation and enforcement of the NQS. This common law and set of regulations for all ECEC services across Australia is legislated in each jurisdiction under the requisite state/territory parliament, and administered by the requisite state/territory Regulatory Authority. The Education and Care Services National Law was established under an applied law system, in which a host jurisdiction—in this case, Victoria—passes a law and other jurisdictions adopt that law or pass corresponding legislation. It governs the establishment, regulations, operational conduct, and quality of all ECEC services in Australia.
- An *assessment and quality rating* process for determining individual services' performance in the seven quality areas set out in the NQS, using a five-point rating scale to describe the quality of care. The results are reported publicly.
- The *Australian Children's Education and Care Quality Authority* (ACECQA), a national body, with federal, state, and territory governance arrangements, that is responsible for guiding the implementation and management of the national system (ACECQA, 2017a, 2017b).

The system is overseen by the COAG Education Council, with ACECQA guiding the implementation and administration of the NQF and holding responsibility for monitoring and promoting national consistency. ACECQA maintains a national register of services and publishes information about the implementation and administration of the NQF and its effect on developmental and educational outcomes for children. The ACECQA Board is accountable to the COAG Education Council.

Under the National Law, states and territories maintain their regulatory role in licensing, approval, monitoring, and quality assessment of services in accordance with the NQF under the auspices of ACECQA, and any other requirement specific to the jurisdiction. A person or an entity operating a long day care, family day care, or out-of-school-hours care service must hold a “provider approval” and a “service approval” issued by the relevant state or territory regulatory authority. An ECEC service must also be approved under Commonwealth law to receive child care payments from the Australian Government. This requirement is outlined in the *A New Tax System (Family Assistance) (Administration Act) 1999* (Act). The Act also establishes obligations, such as compliance with applicable federal, state, and territory laws.

Statutory Entitlements and ECEC Provision. Entitlements to ECEC in Australia are not those typically associated with universal programs (such as school) where every child is legally obliged to attend, and provided for by ensuring there are sufficient classrooms and teachers for the population of school-age children. Entitlements to ECEC services in Australia are delivered primarily via funding subsidies to the families who choose to enroll their children in an ECEC program. In brief, and in contrast to some social democracies, young children in Australia do not have a right to access to ECEC programs.

Moreover, while not a statutory entitlement with mandated attendance, all young 4-year-old children whose families choose to can now receive preschool programming for 15 hours per week. The early years sector, through the NQF, adopted an education

frame so that preschool programs could be rolled out in both stand-alone preschool centers and long day care settings in order to ensure maximum places could be made available as quickly as possible. COAG agreed to this preschool program expansion through a joint commitment to “universal access” (COAG, 2009b).

Financing the System. Under this NQF commitment, states and territories were funded by the Australian Government to deliver the universal access preschool program, and required to meet implementation performance indicators related to growth in child enrollment.⁵ This arrangement is ongoing, with funding partially contingent on the achievement of agreed state/territory implementation performance indicators. That is, states and territories that failed to actively plan and manage access to preschool services risked funding penalties (COAG, 2009b). States and territories also provide subsidy support for children in preschools. Where preschools are owned and operated by state and territory governments (e.g., on school sites), the government fully funds the provision through a mix of Australian and state government investments. In some states, however, preschool has been provided historically through a mixed market of services, and in these instances, families pay the cost after the state-based government subsidy to the service was considered. An additional subsidy is also provided to preschools serving disadvantaged and low-income families, often to enable the children to enter “free preschool” earlier than age 4.

Regarding child care provision (i.e., LDC, FDC, and OSHC), Australian Government subsidies are provided to assist families with the cost of their child’s participation. All families are eligible to apply for these subsidies, though different criteria (income levels,

5. Prior to this, some states had very low levels of preschool participation, including 29 percent participation by 4-year-olds in Queensland, compared with almost 100 percent participation of this cohort in Western Australia.

service type, hours of service) determine the level of subsidy received (DET, 2018). The subsidies include:

- Child Care Benefit (CCB): a means-tested benefit targeted towards low- and middle-income families. CCB covers up to 24 hours of ECEC per week or 50 hours of ECEC use per child per week when meeting a work/activity threshold (minimum of 15 hours of paid work or training/study per week). Support is tapered based on income levels.
- Child Care Rebate (CCR): a non-means-tested payment providing additional assistance for families using approved care. CCR provides up to 50 percent of a family's out-of-pocket child care costs after any CCB is deducted, up to a maximum of \$5,415 (AUD \$7,500) per child per year.
- Jobs, Education, and Training Child Care Fee Assistance (JETCCFA): a payment that provides assistance to eligible parents who qualify for the maximum rate of CCB. It pays most of the gap in out-of-pocket costs not covered by CCB while a parent is working, studying, or training. In 2013–2014, JETCCFA was provided for approximately 54,000 children (Productivity Commission, 2014a).

Following a 2013-14 inquiry by the Australian Government Productivity Commission, the Government has restructured child care subsidies as part of the *Jobs for Families Package*, commencing in July 2018, with an emphasis on supporting the labor market participation of adult family members. This new arrangement risks limiting access to education and care for children whose parents do not meet the activity requirements.

The legislation:

- replaces CCB and CCR with a single means-tested child care subsidy for families earning under \$252,708 (AUD \$350,000) who meet a work/activity test, with the number of subsidized hours of care calculated based on parents' weekly hours of engagement in work/activities (e.g., paid work, work-related training, volunteering, study, and actively looking for work); and

- establishes a non-mainstream “child care safety net” to provide subsidies (up to 24 hours every two weeks) to low-income families that do not meet the work/activity test, and vulnerable children.
1. Under this legislation, many families that meet the work/activity test are expected to be better off; however, concern exists that low-income families who do not meet the work/activity test will be worse off.

In essence, the different funding structures for child care and preschool provision serve to exacerbate the historical split between child care and preschool. Furthermore, the current Australian Government legislation ignores funding arrangements for preschool, thereby making little movement toward a long-term solution. Indeed, from the commissioning of the Productivity Commission Inquiry into Child Care and Early Childhood Learning, the terms of reference (set by the Australian Government) made clear that this historical child care–preschool division was to continue, despite the NQF rhetoric and activity to integrate both types of programs under the nationally consolidated ECEC system.

Box 4: An Illustration of Family Day Care Subsidies and the Problem of Fraudulent Behavior by Unscrupulous Providers Within an Expanding ECEC System.

Gaps in the coordination of activity between layers of government leave systems open to fraudulent behavior by a few “rogue” providers.

- Family day care (FDC) service provision, where children are cared for in small groups in educators’ homes, has expanded rapidly in the period between 2009 and 2016. During that period, there was child care subsidy fraud worth millions of dollars.
- FDC services have exploited the limited oversight of the rapidly expanding sector through activities such as forging enrollment and attendance records. However, the largest source of fraudulent income has been “child swapping,”

where an educator or their partner placed their children in the care of another educator (so as to receive government subsidies) while also caring for other children. Regulations count the educators' own children in the number of children who can be cared for within a home, and educators' own children are typically not funded under the FDC subsidy.

- This “child swapping” practice was made illegal through a legislative amendment in late 2015, which saved taxpayers close to \$5.78 million (AUD \$8 increasingly involved in investigations of FDC fraud, and prosecutions are taking place.
- FDC is regulated by state and territory authorities, while payments are administered at the Australian Government level. The lack of coordinated activity between these different levels of government (payments at one level, administration at another) with respect to enforcement activities is a whole-system issue, and concerns remain around regulation of the home-based ECEC sector (DET, 2016c).

Stated Policy Aims

The Policy Frameworks Pertinent to Services for Young Children and Families. As a signatory to the United Nations Convention on the Rights of the Child, Australia has a longstanding commitment to nurture and protect children. In terms of children's broader development, several national frameworks which underpin policy aims and reforms are in place; reform commitments, impacting children's development, are established by COAG or lead ministers for specific service sectors.

COAG's *Closing the Gap* framework is a government strategy that aims to reduce disadvantage among Aboriginal and Torres Strait Islander people with respect to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes. It includes targets to monitor improvements,

and every year the prime minister releases a *Closing the Gap* report to Parliament that details the progress on these targets (COAG, 2012).

Together, COAG's *National Framework for Protecting Australia's Children 2009–2020* (COAG, 2009c) and the *National Standards for Out-of-Home Care* (FaHCSIA, 2011) provide a national policy framework for collaboration and action in child protection. This is a commitment between the Australian, state, and territory governments, and the non-government sector. A national forum facilitates action under the framework and is co-chaired with the non-government sector.

The *National Disability Insurance Scheme* (NDIS) is a nationally based scheme to improve support for Australians with disabilities, including children, and in turn increase the ability of families to thrive together. Funding and governance is shared among governments. It is currently being rolled out across states and territories, and includes an early childhood early intervention stream. The NDIS functions as a new, statutory entitlement scheme to ensure all children and adults with a disability are supported to optimize their health, well-being, and education, and take an active part in the Australian economy and society.

In health, beyond broader hospital funding agreements, two policy frameworks are pertinent: the National Framework for Universal Child and Family Health Services (covering birth to 8 years of age) (AHMAC, 2011) and the National Framework for Child and Family Health Services: Secondary and Tertiary Services (AHMAC, 2015). Each jurisdiction has responsibility for implementing these frameworks, and preparing reports and updates as appropriate.

Such policies are also underpinned by the National Early Childhood Development Strategy endorsed by COAG in 2009. This strategy sets the vision that, 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 National Early Childhood Development Strategy

recognizes the importance of a holistic approach to children's broad learning, health, and development needs, and the roles of families.

Policy Aims. Table 4.1 summarizes stated policy aims for children up to the start of primary school. Australia also has well-articulated policy aims regarding child protection and disability. For children experiencing disadvantage, the focus of Australia's ECEC commitments is mainstream service inclusion (with higher subsidies to offset fees), rather than providing additional services or supports. There are also some examples of highly targeted additional services for young children at risk of poor outcomes, such as Victoria's Access to Early Learning program (DET Victoria, 2016a) (see chapter 13).

Table 4.1 Stated policy aims for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Policy aims	Level 0.1	Level 0.2
Support parental employment	●	●
Support parental education and training	○	○
Support parental work/life balance	-	-
Encourage the development of socioemotional skills	○	○
Develop positive attitudes and dispositions to learning	○	○
Introduce language and literacy skills	○	○
Introduce basic mathematical skills	○	○
Encourage healthy physical development	●	●
Prepare young children for school	●	○
Introduce young children to citizenship	○	○
Remediate special needs, e.g., language delay/physical disability	●	○
Support/safeguard vulnerable young children	●	●
Support young children where the language use at home is different from the national language	○	○
Reduce inequality and social disadvantage	●	●
Foster health and mental health for children	○	○
Protect children from abuse and violence	●	●
Key:		
● Highly ranked policy aim		
○ Policy aim		
- No policy aim		

Major Policy Changes

Key policy changes (from 2009) for services to the start of primary school are outlined in Table 4.2. In recent years, the policy changes required for the staged implementation of the NQF (2009–2016) have resulted in significant change in staff–child ratios, staff qualifications, regulation, and quality inspection monitoring. Additional requirements regarding teaching staff are scheduled for introduction by 2020. Furthermore, under the NQF, ECEC settings are required to assess children’s learning by gathering and analyzing evidence about what children know, can do, and understand, to plan for each child’s learning, and to evaluate the program. There are no further policy reforms proposed for the EYLF, and no further changes proposed regarding child assessment. A review of the NQF implementation was finalized in February 2017, which included some operational adjustments yet maintained the objectives and coherence of the framework (for further details, see chapter 14).

The *Jobs for Families Package* also represents a new major policy change to the statutory subsidy entitlements to ECEC, and is forecast to increase ECEC expenditure. Meanwhile, no major policy changes related to matters of child health or child protection have been put forward, despite the latter area being the subject of much policy discussion.

Table 4.2 Key policy changes for services for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Policy changes	Level 0.1	Level 0.2
Policy changes in ECEC expenditure	●+	●+
Policy changes in statutory entitlements to ECEC	●+	●+
Policy changes in ECEC child: staff ratios	●	●
Policy changes in ECEC staff qualifications	●+	●+
Policy changes in national ECEC curriculum	●	●
Policy changes in ECEC regulation and quality	●+	●+
Policy changes in child assessment	●	●
Policy changes in child protection	●+	●+
Policy changes in health	○	○
Other	n/a	n/a
Key:		
○ No changes in the past five years, and none currently		
● Changes in the last five years that have taken place		
+ Planned changes in the next five years		
n/a Not applicable or no data supplied		

Summary: Key Themes for Consideration

The NQF reform represents a major innovation that is unique among federated country ECEC systems. Since 2009, Australia’s ECEC system has undergone transformation, and much has been achieved to bring together historically disparate laws, regulations, and programs across the country within a short time. However, there are further steps to be taken to achieve a high-quality, well-coordinated system, particularly in the realm of system funding. The historical traditions (stemming from the distribution of powers between Australian and state governments under the Constitution) that separated the

development of preschool and child care programs still affect ECEC today. Preschool and child care services continue to be differently funded, despite the NQF bringing these services together under one regulatory and quality system underpinned by values of life-long learning, and by realization of the long reach of human capital development from childhood to adulthood.

Furthermore, though the NQF brought together the governance of all “approved” ECEC services, some ECEC programs and provision remain outside the NQF system. Plans to incorporate some of the remaining services into the NQF are well under way. These services include Budget Based Funded programs for Indigenous families and children, some “occasional care” services, some child and family centers in regional and remote locations, and playgroups. This group of services typically requires customized responses to meet local community needs, and the extension of the NQF system to include these services is not without contention, especially as the operational models used for the mainstream (approved) services are typically not appropriate to the remaining forms of provision.

The Early Advantage



Part 3 Direct Services to Young Children

Chapter 5: Nature of General Services Provided for Young Children

This chapter delineates the nature of general health and well-being services that are available to young children in Australia, providing information on engagement with and organization of these services.

Key Points

- Australia has high-quality, universally available primary and hospital health care for the population. Children and families use and benefit from these health system supports.
- Australia's health and well-being services are overseen by both the federal and state/territory levels, and services are guided and governed by a range of funding and provision frameworks (noted on page 73).
- Across Australia, state and territory government ministries responsible for children are mainly organized on a sector basis (e.g., child care: education and social services departments; child health: health departments; preschool: education departments), rather than combining the range of services for children and/or families under one ministry.
- Child protection (transferring children into the care of the state) is the ambit of the state and territory governments. There are limited early intervention services available to improve children's opportunities and outcomes through a focus on nurturing parenting skills. In recent years, rates of entry to child protection have continued to grow, with the numbers of children known to, and/or receiving support from protection services expanding. There is thus pressure on available services to meet individual needs and demand for support. Aboriginal and Torres Strait Islander children are overrepresented in child protection and out-of-home care services compared to non-Indigenous children.

The Nature and Usage of General Services

Universal Primary Health Care. Australia has universal primary health care services, mainly orchestrated through access to general practitioners under Medicare. Medicare is Australia's publicly funded universal health system, which underpins child and maternal health. All Australians access health care through this system. Medicare covers free or subsidized treatment by health professionals including doctors, specialists, optometrists, and in specific circumstances, dentists and other allied health practitioners. Fees can be "bulk billed" to Medicare by medical practitioners, so patients do not have to pay for the service upfront. In 2015–16, 85.4 percent of attendances were bulk billed, with the proportion highest in very remote areas. Nationally in 2015–16, total expenditure on general practice was \$6.3 billion (AUD \$8.7 billion), translating to a rate of \$264 (AUD \$365) per person (SCRGSP, 2017). Additionally, universal primary health care covers free treatment and accommodation for Medicare patients in public hospitals (Biggs, 2013). The Australian Government also funds the Indigenous Australians' Health Program, supporting 140 Aboriginal community-controlled organizations, mainly in rural and remote areas, to provide health services.

Health care services are relatively efficient and well-liked. Nationally in 2015–16, 63.6 percent of people who saw a medical (general) practitioner for urgent care waited for less than four hours, although 24.5 percent waited for 24 hours or more (SCRGSP, 2017). And the vast majority of respondents reported that the GP always or often listened carefully to them (91.6 percent), showed respect (94.0 percent), and spent enough time with them (90.3 percent) (SCRGSP, 2017).

The Australian population is widely dispersed, and public health care providers (medical practices) use a Practice Incentives Program (PIP) e-health platform to integrate practice records, clinical coding, and messaging across the system; send prescriptions; and create shared health and event summaries. Nationally in May 2016, the proportion of PIP practices using electronic health systems was 91 percent (SCRGSP,

2017). Furthermore, given Australia's vast geography and population dispersal, telenursing and telehealth services also provide Australians with access to 24-hour health related telephone or videoconference advice and symptom triage if necessary (St George, Cullen, Gardiner, & Karabatsos, 2008). Although these services are not fully integrated into the primary health care system, they are included in medical insurance packages (which most Australians hold, with the fees subsidized by government). These options help to ensure timely access to health care, no matter the geographic location of the patient. A review on telehealth services by Bywood, Raven and Butler (2013) concluded:

The available evidence indicated that the outcomes of teleconsultations by videoconferencing were not significantly different compared to face-to-face consultations for most types of specialties assessed; and patients participating in teleconsultations reported significantly higher levels of acceptability and satisfaction. (Bywood, Raven, & Butler, 2013, p. 3)

Universal Maternal and Child Health Care. Australia is recognized for having a world-class universal maternal health system. For newly pregnant mothers and partners, Australian maternity-based health services provide prenatal parenting education resources and/or specific supports, such as birthing and early parenting classes. The AIHW reports regularly on usage and outcome evidence. The nature of universal health care ensures that resources are available to address patient need for overall primary health care and for maternal health care. The states and territories also contribute varying levels of funding to support the schedule of universal child and family health services.

The National Framework for Universal Child and Family Health Services guides provision, including the sequential achievement of developmental milestones and early identification of children who require further monitoring and/or referral. In some targeted locations, more extensive home visiting programs begin prenatally and extend

into the early years of life. Such programs are not part of formal health policy, but are instigated in response to evidence about child and family health. An example is the Australian Government's Nurse–Family Partnership Program, which operates in select communities. The program facilitates nurse visits for Indigenous women during their pregnancy and throughout the first two years of their children's lives. Visits are based on six domains of individual and family functioning, which include supporting the mother to develop her parenting knowledge and pursue her goals. In addition, the Australian Research Alliance for Children and Youth (ARACY) is conducting the right@home randomized control trial in two states (Victoria and Tasmania) to determine how universal child health services could be improved, such as through more home visits.

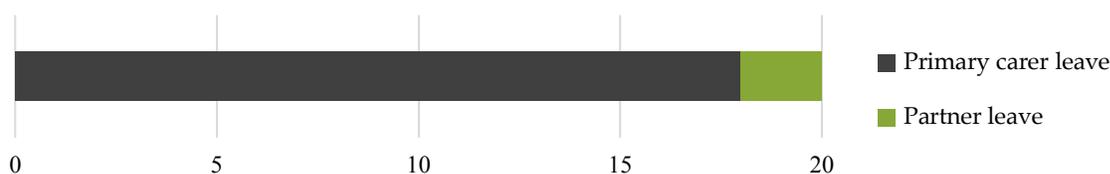
Other services include:

- Universal neonatal hearing screening: Australia provides free hearing screening to all newborn babies. This program is to ensure early detection and implementation of intervention strategies for hearing loss.
- Health screening for pregnant women: The Australian Antenatal Guidelines (AHMAC, 2012) recommend that the first prenatal visit occur within the first ten weeks of pregnancy and that first-time mothers with an uncomplicated pregnancy attend 10 visits (seven visits for subsequent uncomplicated pregnancies). In 2014, 43 percent of women attended at least one prenatal visit in the first 10 weeks of pregnancy and 62 percent of women attended in the first trimester (less than 14 weeks). Almost all women (99.9 percent) who gave birth in 2014 had at least one prenatal visit, 87 percent had seven or more visits, and 57 percent had 10 or more visits. Women living in very remote areas and low socioeconomic status areas were marginally less likely to attend five or more prenatal visits. Indigenous women were less likely to attend either a prenatal visit in the first trimester (53 percent, compared with 60 percent of non-Indigenous women) or to attend five or more visits. However, the proportion of

Indigenous mothers attending an antenatal visit in the first trimester has been increasing (AIHW, 2016a).

Parental Leave. In 2011, Australia introduced government-funded paid parental leave of 18 weeks for eligible employees who are primary carers of children, and two weeks for eligible partners (including same-sex partners). Payments are in line with the national minimum wage and are made directly to the employee. Eligibility for the payments requires that the recipient has worked ten of the past 13 months, and had income of up to \$108,300 (AUD \$150,000) in the previous financial year. In addition, all employees are entitled to 12 months of unpaid parental leave providing they have worked for their employer for at least 12 months (DSS, 2016b).

Figure 5.1 Length of postnatal primary carer and partner leave (in weeks)



Births and Birth Registration. Almost all births in Australia occur in hospitals, in conventional labor wards. In 2014, 98 percent (300,282) of women gave birth in hospitals, while much smaller proportions gave birth in birth centers (1.8 percent), at home (0.3 percent) or in other settings, including births occurring before arrival at hospital (0.4 percent) (AIHW, 2016a).

Birth registration is essential for the exercise of the universal human right to personhood under the law. However, while universally available and promoted, birth registration is the private responsibility of parents or caregivers. Concerns about state and territory processes to birth registration have been expressed by the United Nations Committee on the Rights of the Child. These concerns arise from several sources: the lack of understanding by some parents and caregivers of the requirements and

advantages of a birth registration; disadvantage created by poor literacy levels; administrative costs; and inadequacies in the support provided by authorities. These have largely not been resolved (Victorian Law Reform Commission, 2013).

Child Immunization and Developmental Screening. According to the Australian Childhood Immunization Register, 93 percent of 1-year-olds and 93 percent of 2-year-olds were fully immunized in 2016. There was no difference in coverage between boys and girls, and little difference between Indigenous and non-Indigenous children (Department of Health, 2017). Recent Australian legislation requires that families receiving subsidies for their child's enrollment in ECEC programs immunize their child. Governments may revoke subsidies if a child does not have the required immunizations on record.

Nutrition. According to the 2010 Australian National Infant Feeding Survey, although exclusive breastfeeding is initiated for most babies (90 percent), only 39 percent of infants were exclusively breastfed to around 4 months, and 15 percent to around 6 months. Babies of mothers aged over 25 were up to twice as likely as babies of mothers aged 24 and under to be exclusively breastfed to around 4 months. Indigenous babies were half as likely to be exclusively breastfed to around 4 months as non-Indigenous babies (19 percent compared with 40 percent) (AIHW, 2011b). Furthermore, folic acid fortification of wheat-based flour is mandatory under Australian food standards. Organic breads are exempt from the requirement (Food Standards Australia New Zealand, 2016).

Child Protection Services. These services are provided to protect children and young people aged 0–17 years who are at risk of abuse and neglect within their families, or whose families do not have the capacity to protect them. The state and territory governments fund family support (including intensive family support), child protection investigations, and out-of-home care services. In 2014–15, almost 152,000 children

received child protection services. Rates of entry to child protection continue to grow and place pressure on available services (AIHW, 2016b).

Intensive family support services aim to prevent the imminent separation of children from their primary caregivers due to child protection concerns, and to reunify families where separation has already occurred. Of 24,690 children commencing intensive family support services in 2014–15, 44 percent were under age 5 (AIHW, 2016b). There are also limited early intervention services on parenting, where parenting is known to be harsh or less nurturing. Such services are gaining increased focus with recognition of the role of infant mental health to child and adolescent development. To support children’s mental health, providers and educators launched a national initiative called KidsMatter. Funded by the Australian Government, KidsMatter takes a whole-service approach to supporting mental health and encourages building relationships with community and health organizations (KidsMatter, n.d.).

Out-of-home care is overnight care for children aged 0–17 years, where the state or territory provides (or offers) a financial payment to carers, for reasons of child safety. In June 2015, there were around 43,400 children in out-of-home care, amounting to 0.8 percent of the total Australian child population. In 2014–15, almost 11,600 children were admitted to out-of-home care and over 11,100 children were discharged. The vast majority (93 percent) of children in out-of-home care are placed in home-based care. Approximately 9,900 foster carer households and around 13,700 relative/kinship households had one or more children placed with them (AIHW, 2016b).

Organization of the Services

Australia’s health and well-being services are overseen by different levels of government and provided through a range of organizing frameworks. The Australian Government leads primary health services policy and the provision of subsidies. Primary health care is provided through a regulated market where health practitioners set up medical and allied health practices across the community. The states and

territories license private hospitals (typically serving patients with medical insurance, who thereby ensure own choice of medical practitioner /specialist) and operate public hospitals (where those same medical practitioners /specialists also provide services). Services for vulnerable children and families are overseen by states and territories. Child protection assessments are undertaken by state and territory departments, while support services, such as Joint Investigation Response teams of community service and health service practitioners, mental health therapeutic interventions, sexual abuse counseling, and specialist support to families or carers where ongoing intervention by the department is required, are generally provided by nongovernment organizations.

Table 5.1 summarizes bodies or ministries responsible for children aged 0–3 (0.1) and children aged 3 to the start of primary schooling. Responsibilities for supports and services are organized on a service sector basis, rather than spanning across children and /or families. The table reflects responsibilities of the following Australian Government ministries:

- Education and Training – including federal responsibilities relating to ECEC and schooling
- Health – including federal responsibilities relating to Medicare, child immunization, and Indigenous health
- Social Services – including federal responsibilities relating to disability, family payments, and housing support
- Indigenous Affairs – promotes united objectives across Indigenous programs.

Table 5.1 Bodies or ministries responsible for children aged 0–3 years (0.1) and children aged 3 to the start of primary schooling (0.2)

Responsible body or ministry	Perinatal	Level 0.1	Level 0.2
Education		•	•
Health	•	•	•

Work and Employment	•	•	•
Social Protection/Welfare	•	•	•
Families and Children	•	•	•
Integrated Body			
Cross-cutting departmental structures with specific responsibility to children			
Other			
Key:			
• Responsible body			

Summary: Key Themes for Consideration

The range and scope of Australia’s universal health services are unique, and can be argued on the evidence to be of high quality (OECD, 2015). Through the suite of public health services, all families can access support for a range of health matters, including care during the prenatal and perinatal periods, and universal child immunization against common diseases. There is an expectation within the Australian population that governments supply resources so all citizens can access health services and school education. The universal child and family health system works effectively, evidenced by the annual service usage and effects data that are made public each year.

Young children generally fare well in health and health-related domains, and the incidence of child protection orders is low, although it remains an ongoing issue for states and territories to address. Especially troubling is the relatively high rate of child protection interventions in Indigenous communities. Increasingly, health system services and ECEC system policies and practices are interrelating through policy development within state and territory governments, particularly in the common quest to address matters related to child protection (see Victoria’s Roadmap to Reform, outlined in chapter 13).

Chapter 6: Nature of ECEC Services

This chapter delineates the range of services provided in the ECEC system, outlining enrollments and the organization of services. This information is provided at the national level and on the state/territory level where helpful.

Key Points

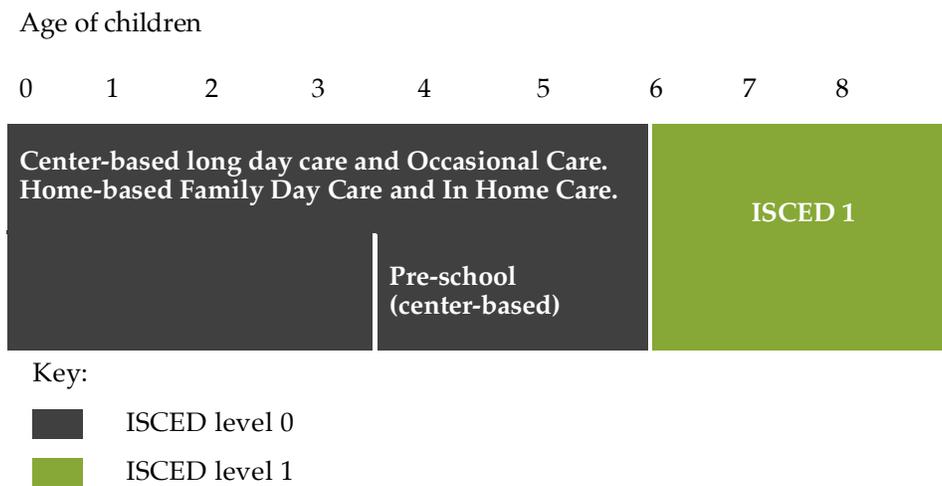
- As of December 2016, there were 15,434 NQF-regulated ECEC services operating in Australia.
- The divide between education and care services is evident in service delivery and quality, despite education and care provision being integrated under NQF policy. Major reform of the early childhood sector through a common regulatory and quality framework, which was initiated in 2009, has not bridged the divide “on the ground” across the field.
- Of children aged 0-5, 42.6 percent attend child care provided within center or home-based settings (typically family day care). In Australia, the service called “In-Home Care” differs from FDC, which operates under schemes (each having a management unit). “In-home care” is a capped/limited program that is available only in circumstances where it would otherwise be difficult for the family to access care.
- The participation rate for preschool programs, which are universally available in the year before school, is 95.1 percent.
- Children in at-risk groups are generally underrepresented in ECEC programs.
- Australia’s dispersed population represents an ongoing challenge to ECEC service delivery.

The Nature of Australian ECEC Services

The provision of early childhood education and care holds a key place in the well-being of families and their local communities, enhancing children’s development and social

engagement and enabling families to engage fully in the labor market, all of which are important components in contributing to stronger families. This section focuses on the different types of formal ECEC services offered in Australia. A summary of formal ECEC services in Australia by child age is provided in Figure 6.1.

Figure 6.1 Overview of ISCED Level 0 and 1 in Australia



Center-Based ECEC Services. These services are the most common in Australia, accounting for 93 percent of the sector in 2016, and include long day care, occasional care, and preschool programs (ACECQA, 2016). *Long day care* (LDC) services provide regular care and education for children from birth to school age, and can include before- and after-school care, depending on the individual service. LDCs must be led by a teacher and in recent years have increasingly begun to offer preschool programs. There are no restrictions on the number of subsidy-eligible services or child places in LDC across Australia; however, a condition of subsidy eligibility is that services operate for at least 8 hours a day, Monday to Friday, for a minimum of 48 weeks each year (DET, 2018). *Occasional Care* settings provide child care on a casual basis. This is most commonly used when a family does not need care regularly, but may need it on a flexible, seasonal, or short-term basis. The National Occasional Care Program is not part

of the NQF. Funding for these services (which do not meet eligibility for the regular child care subsidies and/or are not funded through other federal or state programs) is through a capped program in which funded places are limited (DET, 2018).

Finally, *preschool* (also known in some states as “kindergarten”) is recognized as an early childhood education program delivered by a qualified teacher. It typically serves 4-year-olds (i.e., in the year before school), and is universally available for 15 hours per week, or 600 hours across the year. Attendance is not mandatory, and while parents are charged (usually small) fees, participation is very high (>95 percent). Some states also fund a year of preschool for “at-risk” children at 3 years of age (SCRGSP, 2016). Preschool programs may be delivered in a long day care center or a dedicated standalone preschool facility. Standalone preschools typically operate on school hours (approximately 9 a.m.–3 p.m.) with children attending the 15-hour (or greater) per week program on a sessional basis Monday–Friday. Standalone preschools may offer wrap-around care in addition to the preschool program; however, these additional hours are not eligible for government child care subsidies.

Family Day Care (FDC). FDC is the most common form of formal in-home care provision, accounting for 7 percent of the entire ECEC market in 2016. It is delivered by a qualified educator, typically within their own residence. In limited circumstances, it may also be provided in an approved venue that is not a residence, subject to the same conditions as care being offered in a private residence. FDC is available for children up to the age of 12, who comprise small groups of four or five (depending on the state/territory) under school age and two school-aged children. It is regulated under the NQF and is eligible for child care subsidies. There are no restrictions on the overall number of subsidy-eligible child care services or places in FDC.

Family day carers are called “educators” under NQF legislation. FDC educators are organized into local Family Day Care Coordination Units. Typically, these Units have trained staff who make regular home visits to each of the FDC educators attached to the

Unit, providing a professional training program to update educators on health, safety, and child development knowledge, and coordinating gatherings of educators within the unit for professional discussion and sharing of ideas. Educators are recruited, trained, and resourced by the Coordination Unit, although to be eligible to work as an educator under the NQF entrants must hold or have commenced Certificate III-level qualifications (see chapter 5) in early childhood education and care (DET, 2018).

A service called *In-Home Care* differs from FDC. In-Home Care is a capped/limited program that is available only in circumstances where it would otherwise be difficult for the family to access care. These circumstances include disability or illness (affecting the child or family), nonstandard work hours, residence in a rural or remote area, or having three or more children under school age. In-home care is not currently regulated under the NQF, but is subject to interim standards in anticipation of its eventual incorporation. It is approved for child care subsidies (DET, 2018). Table 6.1 summarizes the service and attendance profile of the main ECEC services.

Table 6.1 Main setting types and characteristics of services for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2) in Australia

	Setting type	Serving children aged...	Weekly Attendance (hours)	Typical length of day (hours)	Funding type	
					Publicly subsidized*	Privately subsidized
0.1	Family Day Care and In-Home Care	0–12 years	28.5	n/a	•	•
	Long Day Care (center-based)	0–5 years	27.9	n/a	•	•
	Occasional Care	0–5 years	11.6	n/a	•	•
0.2	3-year-old preschool	3–4 years	n/a	n/a		•**
(same as for 0.1 above plus:)	4-year-old preschool in Long Day Care	4–5 years	20.1	n/a	•	•
	4-year-old preschool in standalone service***	4–5 years	14.4	n/a	•	•

* Publicly subsidized may refer to funding from the Australian Government, which provides demand-side funding for child care, or from state governments, which fund preschool with assistance from the Australian Government via the NPA UA ECE. (SCRGSP, 2016)

**Three-year-old kindergarten (preschool) is not funded on a universal basis, but is generally privately available. In some states (Victoria, New South Wales, South Australia, Northern Territory) some vulnerable cohorts are funded to attend kindergarten at 3 years of age. This may include Aboriginal and Torres Strait Islander children, or those known to child protection.

*** Some 4-year-old preschool programs are operated on school sites.

Outside School Hours Care (OSHC). *As part of the ECEC system,* OSHC is subject to NQF legislation, including the national quality standards and the assessment and rating process that is conducted by state-based Authorized Officers. OSHC comprises services provided for school-aged children (primarily 5- to 12-year-olds) outside school hours during term and vacations. Care can also be provided on student-free school days and when school finishes early. OSHC providers are responsible for applying the *My Time Our Place: Framework for School Age Care* (DEEWR, 2011) learning framework, which contains the same broad child outcomes as the EYLF, customized to school-age children.

Budget Based Funded (BBF) Services. BBF services are not yet part of the NQF system. These services are predominantly located in regional, remote, and Aboriginal and Torres Strait Islander communities, where the market would otherwise fail to deliver services to meet the needs of children and their families (DET, 2017a). BBF services generally include a mix of types, including center-based crèches, LDC, OSHC, multifunctional Aboriginal children's services, mobile early childhood services, playgroups, and flexible services (toy libraries, nutrition programs). BBF services are generally not approved for CCB. They may charge fees to help cover costs, but many are provided for free or at low cost, in recognition of the value of the service to the community and the potential barrier that fees present to families.

A 2014 review of the BBF program recommended that BBF continue to “support quality improvements in services; reduce administrative and regulatory burden for services; provide funding on an equitable basis; [and] reflect changes that have occurred in

communities and within the early childhood sector since the programme was first established” (Department of Education, 2014. p. 3). Commencing in July 2018, “Community Child Care Fund” grants will replace the BBF program (DET, 2017b). The grant program emphasizes building services’ sustainability and viability to enable their transition to the mainstream child care system, characterized by demand-side funding and national quality regulation. Specifically, it provides grants to child care services to reduce barriers to access, particularly in disadvantaged and/or regional and remote communities, as well as to support services in meeting the expansion costs associated with increasing Indigenous children’s participation.

Parenting Education. Parenting education is a minor component of the ECEC landscape, with targeted programs offered in Indigenous and disadvantaged communities. For example, Families as First Teachers (FaFT) is a program offered in remote Indigenous communities in the Northern Territory and Queensland. Delivered in playgroup settings (rooms, playgrounds or local landmarks such as parks or beneath shady trees), FaFT offers early childhood learning programs combined with family capacity-building as part of a dual generational approach. Programs include children from birth, and focus on their emerging literacy and numeracy foundations, leading toward their transition into preschool programs. The parents lead implementation of the children’s program, with training, guidance, and support being provided to them by local early childhood educators (DET Qld, 2014).

The Australian Government also funds a program targeted to high-needs families, Home Interaction Program for Parents and Youngsters (HIPPY). This two-year child development and parenting program for families experiencing disadvantage is available in 100 communities around Australia, supporting approximately 5,000 children annually. Delivered in the child’s home in the year before school, HIPPY aims to support parents in their role as their children’s first educators and assist children experiencing vulnerability and disadvantage to begin school developmentally on par with their peers. HIPPY aims to improve literacy, language, numeracy, problem-

solving, and motor skills, and improve relationships between parents and children (BSL, n.d.).

The Transition to School. Nationally, the EYLF emphasizes the importance of transition to school and the support needed for this process. It sets the expectation that early childhood professionals will actively engage both children and families in transitions, and will work collaboratively with the children's new school educators and other professionals to ensure a successful transition to formal education.

Transition-to-school supports are organized at the state and territory level. In some jurisdictions, such as Western Australia and the Northern Territory, preschool is offered within the school setting, creating linkages within the site itself. In others, preschool is offered and situated separately from the school system. Transition statements facilitate linkages for children entering school in the three largest states (New South Wales, Victoria, and Queensland), and in recent years have generally become more common. Such statements are typically a requirement of preschool policy. Approaches vary, but generally a statement will cover each child's learning and development, incorporating their strengths and needs. A challenge is that the statements represent significant effort by preschool teachers, which may not always be matched by the value placed on them by school teachers. One current proposal for improvement is to better align the transition statements with the school curriculum, and for governments to offer joint professional development (see chapter 13). To further support children's transition into school, ECEC service and school teachers may meet; however, there is no formal requirement for this to occur. Typically, children will spend some time at their new school in the year before entry.

States and territories variously offer programs to facilitate learning transitions. For example, Tasmania's Launching into Learning program is designed to foster family relationships with schools in the year before children start preschool. It is offered through all Tasmanian Government schools and involves parents, teachers, and

children in activities together such as playgroup, music, or water awareness (Tasmanian Department of Education, 2016).

Boundary Spanning Mechanisms. COAG and the COAG Education Council represent boundary-spanning coordinating mechanisms, with ACECQA (see chapter 4) coordinating NQF implementation and reporting to the Council. A regulatory authority in each state/territory jurisdiction works with ACECQA to monitor compliance and assess all approved ECEC services against the NQS.

In addition, each jurisdiction has a children's commissioner. The National Children's Commissioner is one of seven commissioners within the Australian Human Rights Commission, appointed for the first time in 2013. The role of the National Commissioner is to promote discussion and awareness of matters relating to the human rights of children in Australia and examine existing and proposed Commonwealth enactments in relation to their human rights. Special attention is given to children who are at risk or vulnerable. The Department of the Australian Prime Minister and Cabinet coordinates policy, strategy, and initiatives related to Indigenous children, although funding and administration of programs may be carried out by specific departments (health, education, social services), and service provision is carried out by the states and territories.

Enrollments in ECEC Services

Age is a primary factor affecting a child's ECEC arrangements. In 2014, 22 percent of children under the age of 2 attended formal child care. Participation in formal child care rose to 54 percent for 2- and 3-year-olds and declined to 42 percent at 4 years of age, when some children move to stand-alone preschool settings. When combined with enrollment in preschool, the participation rates for 3- and 4-year-olds increase: It is estimated that two thirds (66 percent) of 3-year-olds attend some form of ECEC nationally, with just over 21 percent attending a preschool program either within LDC or at a sessional preschool site. The proportion of 4-year-old children who are enrolled

in a preschool program in the year before full time schooling is 95.1 percent (SCRGSP, 2016).

Table 6.2 Percentage enrollment in formal care and preschool by age phase in Australia (Source: SCRGSP, 2016)

Enrolment in formal care and preschool by age phase (percent)	
0–5 years (CCB-approved child care)	Year before school preschool program (ages 4 and 5)
42.6	91.4

Note: Data in the table distinguish between child care and preschool funded services, reflecting ROGS. See Table 6.3 for age breakdowns.

Table 6.3 Enrollment rates for children aged from 0–3 years (0.1) and from 3 years to the starting of primary schooling (0.2) at different ages (Source: SCRGSP, 2016)

Enrollment rates as a percent for age groups 0-7	Australia
Enrollment rate as percent <1 years	10.2
Enrollment rate as percent 1 <2 years	39.7
Enrollment rate as percent 2 <3 years	55.1
Enrollment rate as percent 3 <4 years	61.8
Enrollment rate as percent 4 <5 years	54.2
Enrollment rate as percent 5 <6 years	33.9*
Enrollment rate as percent 6 <7 years	n/a

NOTE: This table describes attendance at CCB-approved child care services in 2015. Dedicated preschool centers are not eligible for CCB and so children attending preschool centers are not included here.

*School entry (to Preparatory, Kindergarten, reception year) is typically at 5 years, hence most children are not enrolled in ECEC service at this age. Children begin school at different ages, and this figure may include some children who are accessing care before and after school.

Data on enrollment in approved preschool services by SES is not available for Australia; however, data are reported regarding the participation of selected groups in preschool services relative to the representation of these groups in the population.

Table 6.4 Proportion of children aged 4 and 5 years enrolled in and attending a preschool program in the year before school who are disadvantaged, compared with their representation in the community (Source: SCRGSP, 2016)

Children experiencing disadvantage (4 & 5 years)	Percent disadvantaged
Enrolled in preschool program in the year before school	17.6
Attending preschool program in the year before school	17.4
Representation of children aged 4 and 5 years in the community, 2014	19.5

The proportion of children aged 3–5 from “at-risk” groups attending preschool, compared to their representation in the community is presented in Table 6.5. Strikingly, the representation of children from non-English speaking backgrounds in preschool is only at 11 percent, relative to 20 percent representation in the community.

Table 6.5 Proportion of children aged 3–5 years enrolled in a preschool program who are from special needs groups, compared with their representation in the community, 2014 (Source: SCRGSP, 2016)

Children from non-English speaking backgrounds (state/territory government-reported)	Percent
Representation in preschool programs	11.1
Representation in preschool programs in the year before school	11.0
Representation of children aged 3–5 years in the community, 2011	20.0
Children with disability	
Representation in preschool programs	6.0
Representation in preschool programs in the year before school	5.8
Representation of children aged 3–5 years in the community, 2012	6.2
Aboriginal and Torres Strait Islander children	
Representation in preschool programs	4.6
Representation in preschool programs in the year before school	4.4
Representation of children aged 3–5 years in the community, 2014	5.5
Children from regional areas	
Representation in preschool programs	27.9

Representation in preschool programs in the year before school	28.0
Representation of children aged 3–5 years in the community, 2014	27.4

Children from remote areas

Representation in preschool programs	2.4
Representation in preschool programs in the year before school	2.5
Representation of children aged 3–5 years in the community, 2014	2.6

The proportion of children aged 3–5 from at-risk groups attending child care services, compared to their representation in the community, is presented in Table 6.6.

Indigenous children participate at half the rate of their representation in the community. Children with a disability and children from regional and remote areas also participate in child care at lower rates than are represented in the community.

Table 6.6 Proportion of children aged 0–5 years attending Australian Government CCB-approved child care services (not including preschool, unless the child care service includes a preschool program in its center) who are from special needs groups, compared with their representation in the community (percent) (Source: SCRGSP, 2016)

Children from non-English-speaking backgrounds	Percent
Children aged 0–5 in child care services, 2013	18.5
Children aged 0–5 in the community, 2011	21.2
Children with disability	
Children aged 0–5 in child care services, 2013	2.9
Children aged 0–5 in the community, 2012	4.1
Aboriginal and Torres Strait Islander children	
Children aged 0–5 in child care services, 2013	2.9
Children aged 0–5 in child care services, 2014	2.6
Children aged 0–5 in child care services, 2015	2.2
Children aged 0–5 in the community, 2014	5.5
Children from regional areas	
Children aged 0–5 in child care services, 2013	25.2
Children aged 0–5 in child care services, 2014	24.4
Children aged 0–5 in child care services, 2015	23.7
Children aged 0–5 in the community, 2014	26.3

Children from remote areas	
Children aged 0–5 in child care services, 2013	1.0
Children aged 0–5 in child care services, 2014	1.1
Children aged 0–5 in child care services, 2015	1.1
Children aged 0–5 in the community, 2014	2.6
Children from low-income families	
Children aged 0–5 in child care services, 2013	25.6
Children aged 0–5 in child care services, 2014	25.5
Children aged 0–5 in child care services, 2015	24.5
Children aged 0–5 in the community, 2013–2014	17.3

Service Delivery Organization

Service Types. Reflecting patterns in other Western federated countries, such as the United Kingdom and the United States, the Australian ECEC sector is complex and diverse, composed of a range of different service providers and types organized under legislation described in chapter 4, above. Services are classified by their management and financial bases as either community-based not-for-profit or private for-profit services. Not-for-profit service providers include government (state and local), community-based organizations, schools, churches, and other welfare-related groups. The for-profit sector comprises an equally diverse group of small private businesses and large corporations, typically having a primary focus on the provision of LDC and operating on a commercial basis.

As of December 2016, there were 15,434 early childhood services, including preschool centers,⁶ operated by 7,429 approved providers. Eighty-three percent of providers operate only one service. Only 1 percent of providers are classified as large (i.e.,

6. Preschool centers are included, except for preschools in Western Australia. In that jurisdiction, preschools are managed by schools and still subject to NQS assessment, but this is completed by school principals and is not reported in the ACECQA data. See Chapter 13 for more details.

operating more than 25 different sites); however, these large providers deliver 31 percent of services (ACECQA, 2017d).

Table 6.7 ECEC service providers in Australia (Source: ACECQA, 2016)

Provider size category	Number of services	Percent of services
1 service	6,229	40
2–24 services	4,371	28
> 25 services	4,829	31
TOTAL	15,429	100

Not all large ECEC providers are classified as for-profit. Australia’s largest provider, Goodstart Early Learning, is listed as a not-for-profit provider. However, private for-profit providers account for 46 percent of the market, an increase of 3 percent over the course of 2016. During the same period, the overall number of providers grew by 3 percent (ACECQA, 2017d). Goodstart Early Learning formed after the collapse of the for-profit ABC Learning company (see Box 5).

Table 6.8 ECEC service provider management type in Australia (Source: ACECQA, 2016)

Provider management type	Number of services	Proportion of services (percent)
Private for-profit	7,122	46
Private not-for-profit community managed	3,735	24
Private not-for-profit other organizations	1,837	12
State/territory/local government-managed	1,309	8
State/territory government schools	758	5
Independent schools	446	3
Catholic schools	197	1
Not stated/Other	25	0.2
TOTAL	15,429	100*

* Column totals to 99.2 due to rounding error.

Box 5: Corporate For-profit Child Care: The “ABC Learning” Experience

For-profit services are, by their nature, motivated by profit, and services delivered may not be focused on quality and equity of access. However, since implementation of the NQF in 2012, all services must operate under NQF law and regulations, and are subject to assessment against the NQS.

Typically, large for-profit services use diverse business models that include child care programs, registered training organizations for issuing staff qualifications, and property portfolios that generate rental income.

- In the 1990s, government child care assistance was extended to families utilizing for-profit services and a non-means-tested tax rebate was introduced.
- These changes spurred significant growth in the privately operated child care sector. Between 1991 and 1996, the number of places in private for-profit child care centers increased by 233 percent, while the growth in community-based and not-for-profit centers increased by only 15 percent.
- ABC Learning, founded in 1988, expanded rapidly following these funding arrangement changes to ultimately become the largest operator in Australia. It was listed on the stock market in 2001. By 2006, it operated around 20 percent of Australian LDC services and had expanded aggressively into overseas markets.
- ABC Learning developed diverse income streams. It acquired considerable property, and utilized sale and leaseback arrangements with private investment firms. It later expanded into child care training (which is also subsidized by the Australian Government), with the ABC Early Childhood Training College. Despite quality concerns, staff were strongly encouraged to undertake all training through the college, rather than other organizations, such as state-funded Technical and Further Education (TAFE) institutions.
- ABC Learning was criticized for compromising quality to generate dividends for shareholders, with the CEO arguing the focus was on efficiency.

- In 2008, following the global financial crisis, ABC Learning went into voluntary liquidation and was later acquired by a consortium of nongovernment not-for-profit providers. It was rebranded as Goodstart Early Learning.
- The collapse placed uncertainty over the care arrangements for over 120,000 children in more than 1,000 centers. The Australian Government stepped in with a \$41.88 million (AUD \$58 million) support package to keep these centers open and to support the transition to the new operator.
- Following a period of greater diversity, the proportion of private providers in the sector is, once again, on the rise (SSCEEWR, 2009).

Service Subsidies for All “Approved” ECEC Service Types. The Australian Government child care subsidies represent a significant source of income for approved child care service operators, whereas services that predominantly deliver preschool programs receive a significant proportion of operating income from the state and territory governments. In Victoria, New South Wales, and Queensland, the state governments subsidize preschool programs, which are delivered by a range of private and community organizations. In South Australia, Tasmania, Western Australia, the Australian Capital Territory, and the Northern Territory, the state or territory government owns, funds, and delivers a significant proportion of preschool programs through the government school system.

Service Delivery in Regional and Remote Australia. The organization of service delivery in some parts of Australia poses significant challenges. While approved ECEC services are available in many regional cities and towns, there are regional and remote areas, and Aboriginal and Torres Islander communities, where the market model of provision does not support viable operation (e.g., too few participants) or there is demonstrated need for a specific culturally responsive service. In these settings, community members can seek a Budget Based Funded (BBF) program (described previously in this chapter).

The BBF services program streamlined the administration of funding to the wide range of nonmainstream yet targeted ECEC and family services available for specific communities. Prior to the BBF program, there were numerous stop-gap initiatives dating back to the 1970s (Department of Education, 2014). Over 300 services are funded under BBF's fully subscribed grant system.

The 2014 review of the BBF program made recommendations geared toward these services becoming self-sustaining in the long term. The recommendations included a requirement to charge fees, and to transition to become CCB-approved wherever possible. However, the report noted that there are limited services for which this transition would be feasible, given their operational context. Stakeholders who were consulted during the review reported that in many instances, the transition would not be appropriate because of the perception that this would dilute culturally appropriate service delivery (see Box 6). BBF services are not regulated under the NQF, but are reviewed through the BBF "Improved Standards Measure" and encouraged to move towards administration under the NQF (Department of Education, 2014). In July 2018, the BBF program will be replaced with a new grant program, the "Community Child Care Fund," under the Jobs for Families package (DET, 2017a). The new fund aims to support BBF services to transition to the mainstream child care subsidy system, providing them with grants designed to support service expansion for disadvantaged or remote communities—a move that presents several issues for the Aboriginal families and communities they serve (see Box 6).

Box 6: Services for Aboriginal Families and Communities

BBF services play an important role in communities. To date they have been conceived differently from mainstream services to ensure access and participation for Aboriginal families.

- Barriers to Aboriginal participation are not limited to a lack of available services, but also relate to unmet cultural or support needs of families, remoteness or lack of transport, negative associations with institutions and government services, and lack of culturally competent staff. Aboriginal and Torres Strait Island families often do not have confidence in the cultural competency of mainstream Australian ECEC services, finding the generic support available does not offer a holistic educational experience for their children.
- Services that are owned and run by Aboriginal communities can develop strong understandings of and relationships with communities. This enables effective and responsive programming that builds on community and cultural strengths to deliver better outcomes for children and families. Research backs the value of Aboriginal leadership and self-determination in developing services to address community-specific issues and overcome disadvantage.
- Whereas mainstream services cater to families with parents who are working or studying, Aboriginal ECEC services prioritize access and engagement for Aboriginal children not accessing or not likely to access mainstream services. They target services to improve access for the most disadvantaged members of a community, and through their unique features, such as community management, overcome many of the identified barriers Aboriginal families experience in accessing ECEC.
- Despite significant challenges in funding, infrastructure, and workforce development, these services continue to be a vital resource for Aboriginal and Torres Strait Islander families across Australia.

- Given the complex needs of Aboriginal communities and remote communities, the requirements of a movement toward mainstream child care subsidies are incompatible with the current principles and orientation of services which operate in these communities. Raising / charging fees and aiming to sustain higher enrollment numbers does not support the BBF focus on supporting the most vulnerable members of communities, particularly as these services are extremely vulnerable to fluctuating enrollments (SNAICC, 2012).

Summary: Key Themes for Consideration

Education provision (including preschool) has typically been the business of states in Australia, which has in turn fueled the division between care and education. The growth of the economy in the 1970s propelled the growth of Australian child care services by encouraging greater labor market participation; as such, it was supported by the Australian, not state or territory, governments. For-profit providers deliver almost half of the ECEC services and are required to meet the NQF conditions and standards. Yet for-profit services, reportedly, have not yet been able to demonstrate the same level of quality found in nonprofit services. Furthermore, despite huge geography, the Australian population is heavily urbanized, with those living in cities having greater access to the market-based services that have been established there for viability and profit reasons.

Perhaps unique to Australia, the NQF agenda also brought OSHC services for school children to the age of 12 years under the law, regulations, and quality rating conditions proscribed by the NQF. A mandated learning framework (My Time, Our Place) was also developed for these services.

Groups in regional and remote locations face extra disadvantage (low access and availability of services, and fewer available local employment opportunities). Indigenous peoples in rural and regional location are especially disadvantaged in a milieu where government attention is on the economy, skills, and jobs. To address this

issue of market failure in the approved ECEC services system, the BBF program was initiated in 2003. As noted in chapter 2, the Australian Parliament has the power to legislate with respect to Indigenous peoples living in a state as well as those living in a federal territory, and the emergence of the BBF program may be sourced back to this power.

In comparison to the expectation by Australians that health services are universally available (reported in chapter 5), there is no assumption that ECEC programs fit this condition. The prevailing ECEC provision strategy is funding support allocated to parents seeking access to ECEC provision for their child, rather than an entitlement for children to access ECEC programs. However, there is rising interest in the universal provision of preschool for both 3- and 4-year-old children. The policy strategy of providing funding subsidies for those families who choose to enroll their children in ECEC programs leaves open issues of disadvantage among children whose parents are either marginalized and/or not inclined to engage with the market of ECEC services, or who are widely dispersed across the Australian geography and have difficulty finding services. Furthermore, funding is typically not area-cost sensitive, with allocations typically comprised of set dollar amounts per place provided.

The Early Advantage



Part 4 Fostering Quality Services

Chapter 7: Pedagogical Approaches and Curriculum

This chapter focuses on the pedagogical approaches and curriculum that characterize services for young children in Australia. It addresses the overall philosophical orientation of the curriculum and the reasons for that orientation. It also addresses the degree to which the pedagogical approaches and curriculum are centralized, and how much pedagogy and curriculum differ across diverse types of provision, geographic regions of the country, etc. Special attention is accorded to the ways in which the curriculum and pedagogy are designed for flexible application, having regard for children with diverse capacities, skills, and backgrounds.

Key Points

- A systemic “paradigm shift” in ECEC policy and provision occurred in Australian ECEC in 2009 as part of major reform of the ECEC sector. Under the NQF agenda, the first national curriculum document, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia* (EYLF) was written.
- The EYLF guides curriculum planning and decision-making for all services regulated under the NQF. The document is mandated for implementation under NQS Quality Area 1 (Educational Program and Practice), and pertains to all approved child care and preschool services. Its implementation is assessed under the NQS.
- The EYLF takes a child-focused, holistic approach, and promotes intentional teaching and play-based learning. It sets common outcomes and supports continued pedagogical refinements within early childhood programs.
- The EYLF implementation process (in line with the *Education and Care Services National Law Act 2010*) allows flexibility by states and territories, through approvals being reviewed and granted to state and territory jurisdictions seeking to customize the EYLF to suit local contexts.

- Under the NQF, educators are expected to use ongoing assessment of each child to inform curriculum planning. Assessment should be documented and available to families, but is not collected more broadly.
- Several routine data collections support administrative accountability for ECEC programs. A recent national inquiry into the education evidence base pointed to gaps in the understanding of child learning and development outcomes before school, and opportunities to better access and use currently collected data.
- The Australian Early Development Census (AEDC) is a national population-level assessment of children's development in the first year of school. It is conducted every three years.

Curriculum and Pedagogical Approaches

Current values and approaches to early learning in Australia are captured in the EYLF, which was developed under the auspices of the COAG Education Council. It is one plank of a national, system-wide effort to improve the quality in early childhood education and care. The EYLF was developed collaboratively by the Australian, state, and territory governments; the ECEC sector; and early childhood academics. The framework included feedback from an extensive consultation process, including two national symposiums, national public consultation forums, focus groups, an online forum, and case-study trials.

The EYLF depicts the curriculum and pedagogy that is agreed upon for all Australian children from birth to 5 years of age. It was developed to be inclusive of Australia's Indigenous people, and acknowledges Australia as a diverse multicultural society. The EYLF core principles include secure, respectful, and reciprocal relationships; partnerships with families; high expectations and equity; respect for diversity; and ongoing learning and reflective practice. The EYLF encourages a contextual view of knowledge, where teaching is a facilitative rather than transmission process. Teachers should work together with families and children to “construct curriculum and learning

experiences relevant to children in their local context” and be aware of the influence of their own beliefs and values on their practice, which should be flexible and tailored to the “time, place, and context of learning” (DEEWR, 2009, p. 11). Teachers are encouraged to draw on a range of perspectives and beliefs to continually challenge and refine their practice.

The EYLF places a strong emphasis on play-based learning, recognizing the importance of communication and language as well as social and emotional development. The EYLF asserts a curriculum decision-making process that is an ongoing cycle involving educators drawing on their professional knowledge, including their in-depth knowledge of each child. Eight practice elements are articulated for educators to apply (DEEWR, 2009):

1. Holistic approaches
2. Responsiveness to children
3. Learning through play
4. Intentional teaching
5. Learning environments
6. Cultural competence
7. Continuity of learning and transitions
8. Assessment for learning.

Prior to the development of the EYLF in 2009, there was no standard guidance for early learning in Australia. Curriculum was left to the states and territories, with wide variation between jurisdictions. For example, there was no early childhood curriculum provision for the birth-to-5 age range in Victoria, Tasmania, or New South Wales, and no curriculum for the age 3-to-5 preschool programs in Western Australia, the Australian Capital Territory, the Northern Territory, or Queensland. In contrast, South Australia had a birth to Year 12 curriculum in place (VCAA, 2008).

Today, under national law (*Education and Care Services National Law Act 2010*), early childhood educators and teachers are required to base their educational program on an approved learning framework, which may be an adaptation of the EYLF, yet still must include the agreed child outcomes (Victorian Government, 2010). The reason for this policy is to ensure jurisdictions around Australia can effectively and efficiently ensure

curriculum and pedagogical practices best meet the needs of local communities, while meeting a nationally agreed set of five broad child outcomes. For most of Australia, this approved framework is the EYLF; however, five jurisdiction-specific approved frameworks have customized the EYLF to local conditions and priorities, including:

- *Every Chance to Learn* (2007): curriculum framework for Australian Capital Territory, incorporating preschool to Year 10, thereby ensuring ECEC and school curriculum progression;
- *The Tasmanian Curriculum* (2007): incorporating preschool to Year 10, for the same continuity of curriculum reasoning as above;
- *The Victorian Early Years Learning and Development Framework* (2016): for use by all professionals working with children from birth to age 8 in Victoria. This broadens EYLF beyond use by ECEC educators/teachers to allied health and other professional working with young children, and ensures that early years primary school teachers work with this document;
- *Curriculum for Kindergarten to Year 10*: curriculum framework for Western Australia, which supports the integration of early childhood and primary school curriculum efforts; and
- *Preschool Curriculum* (2016): customized by the Northern Territory for Indigenous children, and remote communities.

The Content of Curriculum and Use of Time and Space

The five learning outcomes of the EYLF are broad and interconnected, as described in Table 7.1. The top-level outcomes are:

1. Children have a strong sense of identity.
2. Children are connected with and contribute to their world.
3. Children have a strong sense of well-being.
4. Children are confident and involved learners.

5. Children are effective communicators.

Table 7.1 Areas of learning included in curriculum guidance for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Areas of learning in prescribed curriculum guidance	Level 0.1	Level 0.2
Personal and emotional development	●	●
Social development including citizenship, values	●	●
Attitudes and dispositions to learning Physical development and health education	●	●
Language development and communication skills	●	●
Reading and literacy skills	●	●
Mathematical skills	●	●
Understanding the natural world	●	●
Science	●	●
Technology and the digital world	●	●
Expressive arts, music, and creativity	●	●
Second / foreign language	○	○
Religious and spiritual	○	○
Key:		
● Yes, national guidance includes this area of learning		
○ No, national guidance does not include this area of learning		
n/a Not applicable, as no national curriculum guidance exists		

The EYLF does not prescribe how time and space should be used in ECEC programs, but emphasizes educator decision-making and practice (including the establishment of indoor and outdoor environments) that is responsive to the abilities, interests, and rights of each child.

Diversity and Cultural Responsiveness

A commitment to diversity and cultural responsiveness is embedded throughout the EYLF, with teachers and educators expected to use the framework to inform the delivery of culturally safe and responsive programs and services. “Respect for diversity” is one of the EYLF’s core principles, emphasizing that educators should respect and value the different practices, values, and beliefs of families, and incorporate into curriculum decisions each child’s rights to have their “cultures, identities, abilities and strengths acknowledged and valued” (DEEWR, 2009, p. 13). Culturally competent practice is emphasized in the framework and expanded upon considerably in the *Educators’ Guide to the Early Years Learning Framework for Australia* (DEEWR, 2010). The guide emphasizes that cultural competence needs to be applied at the individual, service, and system level. Greater understanding of Aboriginal and Torres Strait Islander culture is a specific feature: Educators are encouraged to engage with elders and community. The Victorian Framework (VEYLDF), revised in 2016, strongly asserts the importance of Indigenous culture and the need for all children to better understand it. The Acknowledgement of Country statement in the VEYLDF declares:

We recognise and respect Aboriginal cultures and their unique place in Victoria’s past, present, and future. Learning about Aboriginal cultures and valuing the place of Aboriginal people is essential to understanding and implementing the Victorian Early Years Learning and Development Framework, based on the principles of equity and human rights.

(DET Victoria, 2016c, cover)

Specialist Provision

Children’s learning sits at the center of the EYLF, with emphasis placed on facilitating opportunities for every child to achieve the commonly agreed learning outcomes. Rather than offering specialist provision for designated groups of children, educators are expected to tailor the program to each child, whether they be gifted or have

additional needs. Educators are charged to recognize barriers to participation, challenge practices that support inequity, and find ways to maximize learning opportunities for all children. Clearly, these charges assume strong and capable professionals working in ECEC services, and yet key stakeholders continue to report that professional and pedagogical content knowledge is varied and quite limited among some parts of the workforce, driven in part by the relative low status and poor compensation of ECEC educators compared to school teachers.

Transitions

Australia has a national curriculum for schools (Foundation to Year 10), which is aligned with and builds on the EYLF. Victoria has gone further with the revised VEYLDF (2016) by emphasizing the importance of transition and drawing explicit links with the Victorian Curriculum. This document is targeted toward both early childhood and primary teachers, promoting practice for children that recognizes different stages of development and the need for program continuity whether children reside in ECEC or school settings. Furthermore, as noted previously in this chapter, other jurisdictions have also customized the EYLF, taking steps to link the EYLF to primary school curriculum and thereby supporting continuity of learning for children as they move from ECEC services into the school system.

Innovations, Quality, and Challenges

The EYLF was an innovative policy development in the Australian context that intended to bring early childhood curriculum and practice across the country into alignment, drawing no distinction between preschool and child care and bridging the historic education and care divide. Today, the EYLF is mandated for use by all early childhood teachers and educators working with children from birth to age 5 (or the start of school). However, the Victorian framework (VEYLDF) is broader in application, extending the core aspects of the EYLF to all professionals who work with children from birth to age 8. This includes, for example, primary school staff, maternal and child

health nurses and other allied health professionals, therapists, and family support workers.

The implementation of the EYLF is assessed against the National Quality Standard's Quality Area 1, educational program and practice. However, despite an emphasis on process elements in implementation, there is evidence that the EYLF and Quality Area 1 are not consistently being translated into effective practice across the ECEC service types. The highest proportion of services are rated on Quality Area 1 as "working towards" the NQS (i.e., not meeting or exceeding), at 21 percent. This trend is more pronounced in family day care services, where 43 percent of services are not meeting this standard. More than 50 percent of the rated services are not meeting element 1.2.2: "educators respond to children's ideas and play and use intentional teaching to scaffold and extend each child's learning," and 1.2.3: "critical reflection on children's learning and development, both as individuals and in groups, is regularly used to implement the program" (ACECQA, 2016). The assessment evidence since implementation of the NQS verifies the challenge of transforming practice to meet new (higher) standards across diverse jurisdictions, local contexts, and within the historical service types of child care and preschool. Furthermore, both international studies (e.g., Sabol, Soliday Hong, Pianta, & Burchinal, 2013) and recent Australian research (Cloney, Cleveland, Hattie, & Tayler, 2015; Cloney, Cleveland, Tayler, Hattie, & Adams, 2016; MGSE & DEECD Research Partnership, 2014) indicate that these process quality elements of the NQS serve as direct drivers of children's learning outcomes. This is discussed further in chapter 9.

Summary: Key Themes for Consideration

Australian pedagogical approaches and curriculum in ECEC are characterized by a paradigmatic shift from having no unified focus in the conduct of early childhood programs to having a common program focus on learning, as articulated by the EYLF. Furthermore, the Australian policy that mandates this framework across all approved

ECEC services was a keystone attempt to bring the practices in child care and preschool settings closer together under a broad education approach.

Yet, Australia has a diverse multi-cultural population dispersed across a large continent. Attempts to mandate nationally agreed policy initiatives must also be sensitive, when planning implementation, to the history, demography, and priorities of states and territories. Concern to ensure the adoption of the EYLF across Australia was addressed through the adoption of a “place-based” approach. This is illustrated by the production of five aligned versions of the EYLF that are suited to the conditions and related priorities of specific jurisdictions. As such, this approach represents innovative effort to incorporate a nationally mandated framework into the educational environments of local regions. Furthermore, as a curriculum and pedagogy initiative, the EYLF also addresses practices in out-of-school care programs, in order to bring all forms of approved (subsidized) care under one law and regulatory system. An aligned document (*My Time, Our Place*) customized approaches to curriculum and pedagogy for school-age children in wrap-around care settings (see chapter 6).

Chapter 8: Children's Development: Goals, Standards, Assessment, and Accountability

This chapter focuses on the standards or outcome specifications and data that exist in Australia on children's development. In addition, the chapter addresses the ways in which the standards are used and assessed. The nature of the role standards play in accountability is also discussed.

Key Points

- Australia does not have child-level early learning and development standards. Instead, national learning outcomes for children are prescribed within the EYLF. The outcomes are broad statements (e.g., sense of identity) that programs must address and children are expected to achieve; however, no specified assessment measures are mandated. Early childhood educators are expected to report on children's overall progress to parents and families, and the NQS assessment process checks practice regarding these outcomes. As such, EYLF child outcomes differ from early learning and development standards.
- Under the NQF, educators are expected to use ongoing (formative) assessment of each child to inform curriculum planning. Assessment should be documented and available to families, but is not collected more broadly.
- Child health standards exist both within the ECEC system, where they are assessed through the NQS rating process, and the health system, where standards are integrated into the health system's accreditation process.
- A recent national inquiry into the education evidence base raised gaps in the understanding of child learning and development outcomes before school, and opportunities to better access and use currently collected data.
- The Australian Early Development Census (AEDC) is currently the only national (population-level) assessment of young children's development. This pertains to 5-year-old children and is conducted in the first year of school. It is conducted

every three years. Census data are used by education staff and policymakers to set priorities in districts and regions, and to seek funding for special initiatives.

Early Learning and Development Standards

The expectations for early learning and development outcomes are specified in *Belonging, Being and Becoming: The Early Years Learning Framework for Australia* (DEEWR, 2009). This framework (detailed in chapter 7), includes broad learning outcomes for children aged birth to 5 years, but does not set specific standards around child development.

Content (What Children Should Know and Be Able to Do). Table 7.1 (see chapter 7), gives an overview of the content of the learning outcomes. These outcomes are broad and interconnected, and cannot be regarded as explicit content expectations for individual child achievement. The child outcome expectations are assumed to reflect the range of diverse development apparent in the period from birth to age 5, and yet the approved early learning frameworks in Australia do give guidance to educators regarding expectations for children. Table 8.1 reflects the range of these expectations. The learning outcomes are learning goals to be worked towards, and should inform curriculum planning:

Working in partnership with families, educators use the Learning Outcomes to guide their planning for children's learning. In order to engage children actively in learning, educators identify children's strengths and interests, choose appropriate teaching strategies and design the learning environment. Educators carefully assess learning to inform further planning. (DEEWR, 2009, p. 9)

Table 8.1 Expectations for child outcomes in different areas of learning and development for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Explicit expectations for child outcomes in areas of learning	Level 0.1	Level 0.2
Personal and emotional development	●	●
Social development including citizenship, values	●	●
Attitudes and dispositions to learning Physical development and health education	●	●
Language development and communication skills	●	●
Reading and literacy skills	●	●
Mathematical skills	●	●
Understanding the natural world	●	●
Science	●	●
Technology and the digital world	○	○
Expressive arts, music, and creativity	●	●
Second / foreign language	○	○
Religious and spiritual	○	○
Key:		
● Yes, there are expectations for child outcomes		
○ No, there are not expectations for child outcomes in this area		
n/a There are no stated expectations for child outcomes during this phase		

Health Standards

Under the NQF, the learning outcomes address elements of health and well-being throughout, most explicitly in Outcome 3: *Children have a strong sense of well-being*, which has two subpoints:

- Children become strong in their social and emotional well-being
- Children take increasing responsibility for their own health and physical well-being.

In addition, the NQS rating system contains standards (each with sub-elements) for assuring children's health. These are formally assessed during Authorized Officer visits to services:

- Standard 2.1: Each child's health is promoted.⁷
- Standard 2.2: Healthy eating and physical activity are embedded in the program for children.⁸
- Standard 2.3: Each child is protected.⁹

The NQF-mandated standards within the ECEC services system are complemented by Child Health Standards set by the Royal Australian College of Physicians (RACP) for application in child health services (RACP, 2008). While not mandated under law, the RACP standards apply to any Australian health service where children are cared for. They were designed to be integrated within the health care accreditation process:

7. NQS Element 2.1.1 Each child's health needs are supported. Element 2.1.2 Each child's comfort is provided for and there are appropriate opportunities to meet each child's need for sleep, rest and relaxation. Element 2.1.3 Effective hygiene practices are promoted. Element 2.1.4 Steps are taken to control the spread of infectious diseases and to manage injuries and illness, in accordance with recognized guidelines.

8. Element 2.2.1 Healthy eating is promoted and food and drinks provided by the service are nutritious and appropriate for each child. Element 2.2.2 Physical activity is promoted through planned and spontaneous experiences and is appropriate for each child.

9. Element 2.3.1 Children are adequately supervised at all times. Element 2.3.2 Every reasonable precaution is taken to protect children from harm and any hazard likely to cause injury. Element 2.3.3 Plans to effectively manage incidents and emergencies are developed in consultation with relevant authorities, practiced and implemented. Element 2.3.4 Educators, coordinators and staff members are aware of their roles and responsibilities to respond to every child at risk of abuse or neglect.

The Standards have been developed for linkage with the ACHS [Australian Council of Health Standards] Evaluation and Quality Improvement Program 4th edition (EQuIP 4) which is the most widely used independent health care assessment and accreditation process in Australia. (RACP, 2008, p. 4)

These standards are set out under four areas of action: recognizing rights; child-, adolescent-, and family-friendly health service facilities; child- and adolescent-specific equipment; and appropriately trained staff. The collaborative development and testing process related to these standards is outlined by Hill, Pawsey, Cutler, Holt and Goldfeld (2011).

In addition, nutrition and physical activity guidelines are available (not mandated) through the Australian Government Department of Health (2014) and Nutrition Australia (2013). The physical activity recommendations for children aged from birth to age 5 pertain to families and early childhood educators, giving a brief rationale and advice on two matters: TV and computer games, and time spent sitting and being inactive. The Dietary Guidelines comprise five recommendations related to weight and activity, variety of food, limited intake of particular food, breastfeeding, and storage of food (Nutrition Australia, 2013).

Assessment, Data, and Accountability

Routine Data Collections Related to ECEC Provision. As noted above, children are not individually assessed; rather, ECEC services are assessed on the quality of their educational program against the NQS, wherein services are required to demonstrate the use of formative assessment data (collected through use of a range of tools) to monitor child development and plan programs relevant to each child. Typically, educators use observation and maintain learning portfolios for each child that document activity and progress. There are no specific measures for the five learning outcomes and there is no prescribed method for documenting or reporting assessment.

Participation and Reasons for Use. Table 8.2 sets out the ways in which child outcome data are used. The data in consideration in this table include the locally collected assessment material conducted by early childhood educators (accounting for the entries at 0.1), and the population-level data on child development at age 5, collected triennially (AEDC, 2016).

Table 8.2 Use of child outcomes data for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2) in Australia

Use of results of national or typical subnational child assessments to inform the development of ECEC policy and practice nationally	Level 0.1	Level 0.2
For accountability and performance management of settings	○	○
For commissioning of providers	○	○
By central body to inform strategic planning of ECEC	●	●
By regional body to inform strategic planning of ECEC	●	●
By local body to inform strategic planning of ECEC	●	●
By providers to inform strategic planning of ECEC	●	●
By settings to inform planning of ECEC programs	●	●
By ECEC practitioner-groups to inform planning of ECEC programs	●	●
By parent bodies to inform parental choice of ECEC	○	○

Key:

- **Yes, outcomes data are used for this purpose**
- **No, outcomes data are not used for this purpose**
- n/a There are no national child assessments during this phase

There is a gap in national and/or state/territory evidence systems on children’s learning and development before they reach the first year of school, with no systematic, consistent indicators developed to determine whether the EYLF outcomes are being

achieved by children in the birth to age 5 period. Under the EYLF, services are required to make available to families documentation on each child's program and progress—what they know, understand, and can do. This assessment information is used by educators to plan for each child's learning, collaborate in this task with each child's family, and reflect on their own values, beliefs, and practices.

In addition to cooperating on the AEDC triennial data collection, some jurisdictions use standardized assessments each year at school entry (such as the Performance Indicators in Primary Schools assessment in Tasmania and the ACT); these assessments are not aligned to the EYLF outcomes. Each jurisdiction implements its own preferred practice regarding assessing the learning of young children.

Participation and Provision. ECEC administrative data are collected annually (with some exceptions). The key ECEC collections and their functions are summarized below:

- *The Childhood Education and Care Survey:* a triennial national survey of service usage, reasons for use, need for additional care or preschool, and other home learning activities; collected by the ABS and reported publicly in annual Productivity Commission Report on Government Services reports.
- *The Child Care Management System (CCMS):* ongoing national data system for the administration of approved child care services payments to families and approved centers, managed by the Australian Government. This system's data are not accessible to others.
- *National Quality Agenda IT System:* the ongoing national register of licensed services, the service level quality standard, and data on incentives. This system functions as an online tool that offers providers a secure and direct way of communicating with their state and territory regulatory authorities, aiming to reduce paperwork and duplication. Users (service providers) are registered, and can view and update their provider and service details; lodge applications, notifications, and requests; and pay invoices. ACECQA uses these data to make

public the registered ECEC service providers by local area so families can find all approved ECEC services in their neighborhood. ACECQA also generates the publicly available NQS ratings, which are shown concurrently with the service locality and contact information.

- *National ECEC Collection*: the annual ABS data collection on the provision and usage of preschool programs for children aged 3 to 6 years, across all service types. Notably, these data reflect the (as yet) uncoordinated databases held by the Australian and state/territory governments regarding preschool and child care participation and provision. The Australian Government holds financial data, including the necessary service details for making payments, and the state and territory governments hold participation and operational data. This stems from the history of ECEC service types being administratively separated, as noted in previous chapters. Due to the various collection capabilities within each state and territory, data for the 2013 collection were derived from a number of data sources. Child Care Management System (CCMS) data were used in addition to state and territory-supplied datasets as a supplementary data source for LDC centers in most states and territories. This is because state and territory data, where available, may not have sufficient coverage of the LDC sector. In 2013, as in 2012, the data were sourced from both the state/territory data source and the CCMS data source to provide a wider coverage for each state and territory (ABS, 2013).
- *Preschool census*: an annual collection by states and territories on child participation and fees, staff characteristics, and management. These data are used in the annual Productivity Commission Report on Government Services reports, which is made publicly available.
- *National ECEC Workforce Census*: collected by the Australian Government, this triennial survey includes staff characteristics, experience, and qualifications, captured across all CCB-approved service types in all states and territories. The data gathered pertains to service usage, children with additional needs, access to

preschool programs, and staff details (including staff demographics, types of work, qualifications, experience, and current study). The data are used to provide a national overview of the early childhood education and care workforce, and inform early childhood and care policy. Each ECEC Workforce Census Report is publicly available.

Child Development. The AEDC was described in Box 2 (see chapter 3) and previously in this chapter. This triennial national population census of children in the first year of school is gathered by preparatory year teachers across five development areas. This represents the only national-level evidence on child development. To support the field in accounting for child development, ACECQA worked with sector specialists to generate developmental milestones and their relationship to both the EYLF and the NQS (see ACECQA, n.d.). The most recent AEDC evidence reports:

The strongest emerging trend over the period 2009 to 2015 was in the language and cognitive skills (school-based) domain, with the proportion of children developmentally on track increasing from 77.1 percent in 2009 to 84.6 percent in 2015. (AEDC, 2016, p. 5)

This evidence, while not causally linked, positively reflects on the national adoption of an early learning frame for ECEC programs, and, through professional development initiatives linked to the NQF, effort being made to upgrade the skills of educators on intentional teaching within child-chosen play situations. Notably, the current AEDC report also verifies that the gap “between the proportion of developmentally vulnerable children in the most disadvantaged areas, relative to the least disadvantaged areas, widened across all five domains. A widening gap is also apparent for children in Very Remote Australia, relative to children in Major Cities” (AEDC, 2016, p. 6). This evidence, at population level, aligns with evidence from the E4Kids longitudinal study noting that the gap in cognitive performance between highest and lowest deciles increases across ages 3–5 (Tayler, Cloney, & Niklas, 2015).

Innovations, Contributions to Quality, and Challenges

Australia was among the first countries in the world to collect national data on the developmental health of young children starting school, when the AEDC was administered for the first time in 2009 (AEDC, 2016). The impetus for this initiative came from medical and child development specialists who campaigned for action on monitoring and improving young children's developmental status. The nationwide census evidence provides a method of assessing, over time, some of the impact of the NQF. The AEDC results play a role in informing policy at the municipal, state, and national level.

Recently, the Australian Government asked the Productivity Commission to conduct a public inquiry and provide advice on a national approach to collecting and using data for early childhood education and care and schools, to improve Australia's educational outcomes. The final report is under consideration by the Australian Government; it has not yet been released. The draft report, and many submissions, noted the absence of data collected on children's development before school. Submissions also highlighted opportunities to improve access to and use of existing administrative data sets. A key message was that there is already a large amount of routinely collected data that could be accessed more efficiently and used more effectively to improve outcomes, including educational outcomes and other aspects of health and well-being (Productivity Commission, 2016a, 2016b).

Summary: Key Themes for Consideration

Because Australia does not have child-level early learning and development standards, but rather, five broad learning outcomes to be achieved over the first five years of life, individual child assessment processes in Australia are characterized by approaches that focus on *formative* assessment data for each child. These data are collected and used by the educators and teachers within ECEC services to plan an effective ECEC program for each child, as per requirements set in the NQS. In addition, the collection of population-

level child development data allows for system review of progress as it affects the development of young children, albeit not *causally* related child-outcome evidence for the ECEC system reforms.

Early health standards in Australia exist under two domains: standards are articulated and assessed within education provision under the NQS, and further health standards are incorporated within the accreditation process for health services. Although this does not represent integration, the existence of standards in both education and health arenas signify an important connection, while also functionally responding to the auspice arrangements of these services on the ground.

Chapter 9: Program Quality: Standards, Inspection, and Improvement

This chapter focuses on the quality of Australian ECEC programs by examining the nature and content of program standards, the external inspection (monitoring) process, and how the data from the monitoring process are used to improve quality in early childhood environments.

Key Points

- The clear majority of ECEC services in Australia are regulated under the National Quality Framework (NQF), or its equivalent in some sectors (e.g., preschool/kindergarten in Western Australia).
- In both development and implementation, the NQF represents an unprecedented collaborative effort between the Australian, state, and territory governments to support quality across the ECEC system.
- The NQF is in final implementation phase: It is too soon to gauge the long-term impact on child development, although early indications are positive.
- Research indicates a need to focus attention on *process quality* factors, such as adult-child interaction, to improve quality and promote better child outcomes. This includes more specific assessment of these elements than is currently undertaken.

Program Regulations

At the service level, the Australian ECEC sector is regulated under the NQF. All NQF documents, together with a broad range of supporting resources, are publicly available on the ACECQA website at <http://www.acecqa.gov.au/> (for an overview of the NQF, see chapter 4). A significant reform aimed at driving quality and continuous improvement, the NQF has brought a relatively high degree of national alignment and consistency to the early childhood sector since its establishment in 2012. All elements of

the NQF were developed under the auspices of the COAG Education Council. The council comprises ministers from the Australian, state, and territory governments and New Zealand, and holds portfolio responsibility for early childhood, school, and tertiary education. The NQF applies to preschools/kindergartens, LDC services; FDC services; and OSHC services.

The National Law and National Regulations are comprehensive and detailed, and specify penalties for noncompliance. The requirements relate to service operations (including staff-to-child ratios and qualifications), management, health and safety, children's play and learning environment, and educational program and practice. Services are reviewed for regulatory compliance and are concurrently assessed and rated against the National Quality Standard (NQS), which specifies seven quality areas and incorporates key elements of the National Law, National Regulations, and the EYLF (ACECQA, 2017a). Each quality area comprises two or more standards, under which sit elements. In all there are 18 standards and 58 elements. The quality areas are:

1. Educational program and practice: addresses whether the educational program is stimulating, engaging, responsive, and enhances each child's learning and development.
2. Children's health and safety: focuses on whether the service is safeguarding and promoting children's health, well-being, protection, and safety. It includes environmental, supervisory, illness- and hazard-management, and physical-activity requirements.
3. Physical environment: addresses the design and location of the facility and its appropriateness for operating an ECEC program.
4. Staffing arrangements: reviews the provision of qualified and experienced staff who are able to develop warm, respectful relationships with children, create safe and predictable environments, and encourage children's active engagement in the learning program. It includes educator-to-child ratios and qualification requirements.

5. Relationships with children: focuses on whether relationships with children are responsive, respectful, and supportive of children's sense of security and belonging.
6. Collaborative partnerships with families and communities: addresses relationships with families that are fundamental to achieving quality outcomes for children, and community partnerships that are based on active communication, consultation, and collaboration.
7. Leadership and services management: focuses on effective leadership and management of the service to build and promote quality environments for children's learning and development. It includes policies and procedures, record keeping, professional development, and quality improvement processes (ACECQA, 2017b).

The Structural Dimensions of ECEC Quality. The NQS combines process and structural components of quality. As reflected in Table 9.1, group size is not a feature of the NQS, which offers only a minor reference to FDC where an educator cannot care for more than seven children at any one time, with no more than four of these children being preschool age or under. Rather, the staff-to-child ratios are in focus, enabling services to compose groups in light of the size of the rooms available within the service. As reflected in Table 9.2, educator-to-child ratios are the primary structural aspect of the NQS. Center-based services (preschools and LDCs) have mandatory minimum educator-to-child ratios: 1:4 for children aged 0–24 months, 1:5 for children aged 24–36 months, and 1:11 for children aged 36 months to preschool age. These educator-to-child ratios were phased in from January 1, 2012, with full compliance by January 1, 2016. Those jurisdictions with existing lower ratios will retain those ratios.

Table 9.1 Regulated group size for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Maximum group size for children	Australia
Under 1 year old	n/a
1 year old	n/a
2 years old	n/a
3 years old	n/a
4 years old	n/a
5 years old	n/a
6 years old	n/a

Key:

- Not applicable as there are not national or typical subnational regulated group sizes
- Age phase is not applicable, as children are enrolled in school

*Family day care educators may educate and care for no more than four children of preschool age or younger at any time (Education and Care Services National Regulations, Regulation 124).

Table 9.2 Regulated staff-to-child ratios for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Recommended staff: child ratio for children	Australia
Under 1 year old	1:4
1 year old	1:4
2 years old	1:5
3 years old	1:11
4 years old	1:11
5 years old	○**
6 years old	○

Key:

- Not applicable as there are not national or typical subnational regulated staff : child ratios
- Age phase is not applicable, as children are enrolled in school

*Education and Care Services National Regulations – Regulation 123. For center-based services only. Family day care educators may educate and care for no more than four children of preschool age or younger at any time – Regulation 124.

**Due to differences between the states and territories as to when children are required to start school, 5-year-old children may attend preschool and are subject to educator-to-child ratios of 1:11.

As of September 2016, 15,429 education and care services in Australia were regulated under the NQF. Of these, 14,373 were center-based and 1,056 were family day care services (ACECQA, 2016).

Review Process for Changing Regulations. Regulations may be altered by the agreement of the COAG Education Council. In 2014, the Council commissioned a review of the entire National Quality Agenda to ensure the goal of improving quality in education and care services was being met in the most efficient and effective way. The review identified what is working well, areas for improvement, and any unintended consequences resulting from implementation of the NQF. Options for change included reducing the regulatory burden, streamlining elements of the assessment and ratings process, redefining the scope of the NQF, and increasing the oversight of FDC services. A *Consultation Regulation Impact Statement (RIS)* and a *Decision RIS* clarified the specific changes needed, and government ministers accepted the recommended changes in February 2017. The research process related to changing the NQF regulations is described in more detail in chapter 14.

External Inspection (Monitoring) Regulations

The assessment and ratings process is an important aspect of the NQF. Regulatory authorities monitor and enforce compliance with the National Law and Regulations, and their Authorized Officers rate the services against the NQS using a customized assessment tool. The assessment and ratings process is a key mechanism for driving quality improvement and includes public reporting of the rating, including compliance with the regulations. ACECQA, the national agency overseeing this process, reports results to the COAG Education Council.

As part of the assessment and rating process, services are obliged to develop and implement a Quality Improvement Plan (QIP), which is taken into account during assessment and rating of the setting. The aim of the QIP is to help providers of ECEC to self-assess their performance in delivering quality education and care, including

assessment of the quality of practices against the national regulations and the seven quality areas of the NQS. Services receive written notice of the four-week period in which their inspection will occur and must submit their QIP to the regulatory authority in advance of this. Center-based services receive at least five days' notice of the specific date of the inspection, while FDC services may receive no notice. The NQF Assessment and Rating Instrument is used to assess services (ACECQA, 2012). Authorized Officers observe practice, review documentation, and engage in discussion with the service provider in order to make their assessment. Two to five weeks after the visit, the service receives their draft report and has 10 days to dispute any elements and provide feedback before the final report is issued. The provider then has 14 days in which to request a review if the ratings are deemed by the provider to be unfair. Further, as part of the assessment and ratings process, Authorized Officers can undertake activities to ensure compliance, including unannounced visits. They have a range of powers, from issuing infringement notices to removing children from a service and cancelling a service or provider approval (ACECQA, 2015).

As of September 2016, 83 percent of the 15,429 services in Australia had received a quality rating. Of the rated services:

- 28 percent are working towards the NQS
- 42 percent are meeting the NQS
- 30 percent are exceeding the NQS
- Fewer than 1 percent are rated as excellent and fewer than 1 percent are rated as requiring significant improvement (ACECQA, 2016).

Table 9.3 Aspects of quality assurance processes covered by inspection for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Aspects of quality assurance covered by inspection	Level 0.1	Level 0.2
Regulation compliance	●	●
Staff performance	○	○
Leadership and management	●	●
Children’s learning outcomes	○	○
Curriculum program	●	●
Children’s well-being	●	●
Parental satisfaction	○	○
Financial stability	○	○
Value for money	○	○

Key:

- Yes, aspect covered
- No, aspect not covered
- n/a Not applicable, as no accreditation exists

Professionalism and Adequacy of External Inspection Personnel

All external assessors are formally trained and tested on the NQS tool before they can work in the field, and annually thereafter. An evaluation of the assessment and ratings process found that it was reliable overall (Rothman, Kelly, Raban, Tobin, & Cook, 2012). The NQF brings together both regulation compliance checking and quality monitoring; however, many regulatory staff continued from inspection roles under the previous regulatory system, and to date there has been a continued emphasis on regulatory compliance, rather than on quality improvement aspects, in some localities. Through ongoing professional development, Authorized Officers are broadening their focus from structural to process elements of quality.

Uses of External Inspection Data

The quality ratings for every approved service in Australia are available on government websites, and quarterly snapshots of the nation’s progress in meeting the NQS are also publicly available. Parents can access this information and take it into account when selecting a service for their child.

Table 9.4 Reporting of inspection results of settings for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Reporting process of inspection	Level 0.1	Level 0.2
Report to setting	●	●
Report to parents	●	●
Report to providers	●	●
Report to local body with responsibility for ECEC	○	○
Report to regional body with responsibility for ECEC	●	●
Report to national body with responsibility for ECEC	●	●
Report published in local media	○	○
Report published on internet	●	●

Key:

- Yes, reporting does occur
- No, reporting does not occur
- n/a Not applicable, as no inspection exists

Both provider and service approvals can be suspended or canceled by the regulatory authority, based in part on inspection data. Under the National Law and Regulations, both providers and services are approved by the jurisdiction’s regulatory authority to operate. (Service approval may involve inspection of the physical premises and/or the policies and procedures of the service.) Once granted, these approvals are ongoing, unless canceled or surrendered. Cancellations or surrenders are based on

noncompliance with regulations and/or the best interests of children attending the service (ACECQA, 2015).

Table 9.5 Use of inspection results of settings to inform the development of policy and practice in settings for children aged 0–3 years (0.1) and children aged 3 to the start of primary school (0.2)

Use of inspection reports	Level 0.1	Level 0.2
Reports used for accountability and performance management of ECEC providers and setting	●	●
Reports used for commissioning providers	○	○
Reports used by central body to inform strategic planning of ECEC	○	○
Reports used by regional body to inform strategic planning of ECEC	○	○
Reports used by local body to inform strategic planning of ECEC	○	○
Reports used by provider bodies to inform strategic planning of ECEC	○	○
Reports used by settings to inform planning of ECEC services	●	●
Reports used by ECEC practitioner groups to inform planning of ECEC services	●	●
Reports used by parent bodies to inform parental choice of ECEC	●	●

Key:

- Yes, results are used
- No, results are not used
- n/a Not applicable, as no inspection exists

Summary: Key Themes for Consideration

The implementation of the NQF has brought a disjointed federal system more into alignment and made some progress in reducing the education and care divide. It is too early in the implementation of the NQF to assess its “flow-on” effects on children’s development over time (through schooling and beyond), especially since strategic use

of the assessment and ratings system to drive quality will likely increase over time. However, even at this early stage, there are positive signs. More than 70 percent of rated services are meeting or exceeding the NQS, with fewer than 1 percent rated as requiring significant improvement. Although only a small proportion of services have been re-assessed, 63 percent of those received a higher rating, with only 2 percent receiving a rating lower than their first. This is early indication that the process is driving improvement.

There has also been progress on implementation of improved teacher qualifications, with requirements for at least one bachelor-qualified early childhood teacher in child care services largely met. However, many educators and teachers are still working towards their qualifications (O'Connell, Fox, Hinz, & Cole, 2016). Full implementation of improved qualifications is due in 2020, and the progress to date is important. A systematic review of evidence by the Campbell Collaboration (Manning, Garvis, Fleming, & Wong, 2017) confirmed a positive association between teacher qualifications and the quality of early learning environment environments, and the E4Kids study in Australia confirmed the association of higher-level educator / teacher qualifications with better process quality and subsequently improved child cognitive outcomes. This study also found that university-qualified directors scored better on all process quality domains, with post-graduate qualified directors scoring even higher (Tayler & the E4Kids team, 2016).

However, challenges persist. The Australian E4Kids research highlights the need to improve elements of process quality (Tayler & E4Kids team, 2016). If overall quality thresholds such as those established by the Australian NQS system (a generalized service rating) are to accurately predict child outcomes, then there is a need to measure more specific dimensions of quality within the process of everyday engagements, rather than characterize the general climate and setting. Similar to findings by Sabol et al. (2013), the most significant E4Kids finding for program quality as a driver of child development was the quality of adult-child engagements measured within daily

programs. The everyday ECEC programs observed within LDC, FDC, and preschool provided most children with low levels of the kinds of interactions that promote young children's thinking, challenge ideas and understandings, and enrich language capability.

A further challenge within the Australian NQF system is that the assessment and ratings progress is slow, with 17 percent of services yet to be assessed at all; only 8 percent of services have been re-assessed (ACECQA, 2016). The whole ECEC system is growing, with new services and providers added to the register each month; this, in turn, places even greater pressure on the assessment rating process. Results indicate wide variations in quality, requiring targeted action, between:

- Jurisdictions: For instance, 55 percent of services in the Northern Territory are rated as working towards the NQS, compared with just 20 percent in Victoria. Forty-two percent of services in South Australia are rated as exceeding the NQS, compared with 24 percent in Western Australian and New South Wales.
- Urban and remote areas: Services in major cities and regional areas show stronger performance than those in remote areas.
- Service type: FDC is rated at lower quality than center-based services (47 percent working towards the NQS, vs. 29 percent for center-based)
- Management type: Of all service types, for-profit services have the second-largest proportion of services working towards the NQS (37 percent) and the smallest proportion exceeding the NQS (19 percent). Further, with one exception, all services requiring significant improvement are for-profit services.
- Areas of advantage and disadvantage: There are fewer services in disadvantaged areas, and these are rated at lower quality.
- Preschools and LDC: 89 percent of preschools are rated as meeting or exceeding the NQS, with 54 percent exceeding, whereas 70 percent of LDCs are meeting or exceeding, with only 28 percent exceeding the NQS.

Chapter 10: Professional Preparation and Development

This chapter addresses the role that professionals play in fostering quality for young children. Information is included on the requirements for working with young children, pre-service professional development options, and available opportunities for ongoing professional development.

Key Points

- A key aim of the NQF was to increase qualifications for ECEC professionals in order to influence the quality of pedagogy and practice within children's programs. The full implementation of this is still in progress; however, improvement has been noted across the sector.
- ECEC professionals generally report high job satisfaction, but are dissatisfied with pay and conditions, and feel undervalued.
- Ongoing professional development is advocated by agencies, providers, and researchers as necessary to improve ECEC programs, particularly in the quality of interactions between children and teachers. Since June 2016, no national resources have been assigned for professional development.

Overview of the Teaching Workforce

The ECEC workforce is large, comprising more than 150,000 employees, around 90 percent of whom are female. It has experienced recent rapid growth, doubling in size between 1997 and 2013. Roughly half the workforce is employed in LDC, with another 20 percent in preschools. Nationally in 2013, 99,655 paid primary contact staff were employed within Australian Government CCB-approved child care services, of whom 82.6 percent had a relevant formal qualification and three or more years of relevant experience. This comprised 74.1 percent with a relevant formal qualification at or above

Certificate level III¹⁰ and 8.5 percent with no relevant formal qualification but three or more years of relevant experience (SCRGSP, 2014). ACECQA approves the qualifications of ECEC professionals working in the system, ensuring one place of oversight on the currency, content, and level of qualifications allowed in the ECEC system. Tables 10.1 and 10.2 offer further data on workforce qualifications:

Table 10.1 Distribution of ECEC-related educational attainment for contact staff who work in child care services in Australia (Source: DET, 2014, Table 1.4.1)

Staff categories that serve children in child care	Distribution of educational attainment (percent)			
	Below Certificate III	Certificate III/IV	Advanced Diploma / Diploma	Bachelor's degree or higher
Long Day Care	1.2	40.1	35.4	11.5
Family Day Care	1.5	53.3	24.3	3.9
In-Home Care	3.4	32.1	21.7	6.9
Occasional Care	2	38.6	42	7.5
Preschool	1.6	30.5	19.4	38.8

Table 10.2 Distribution of early childhood-related educational attainment for staff who deliver kindergarten programs in the year before school in Australia (Source: SCRGSP, 2016).

Staff categories that serve children in preschool programs	Distribution of educational attainment (percent)		
	At least certificate, diploma or advanced diploma	Three-year university trained	Four-year university trained or above
Center-based lead teachers	43.7	12.7	27.8

10. A Certificate level III qualification is described under the Australian Qualifications Framework (<http://www.aqf.edu.au/aqf/in-detail/aqf-levels/>). "This qualification reflects the role of workers in a range of early childhood education settings who work within the requirements of the Education and Care Services National Regulations and the National Quality Standard. They support the implementation of an approved learning framework, and support children's wellbeing, learning and development. Depending on the setting, educators may work under direct supervision or autonomously" (DET; retrieved from <https://www.myskills.gov.au/courses/details?Code=CHC30113>)

Statutory Requirements for Working with Young Children

States and territories set the requirements for working with children. They all enforce a “working with children” check, which involves checking criminal records at a minimum. The checks are valid for limited periods, and need to be renewed. State Ministers for Justice have responsibility for working with children checks.

Organization of Work Responsibilities

Work responsibilities are distributed according to roles set out in the national legislation (*Education and Care Services National Law Act 2010*), including those of nominated supervisor, education leader, early childhood teacher, and educator. The *nominated supervisor* has consented to their nomination by the approved provider (the service owner), and takes on the responsibility and obligations under the National Law and National Regulations to manage a preschool, LDC, or FDC service. This role is usually taken up by the director, who must have management, leadership, and governance skills to implement the NQF. Advancement brings some increased responsibility, autonomy, and remuneration.

The *educational leader* is a newly legislated / mandated role within each service, who serves to guide and mentor other educators in planning, implementing, and reflecting on their learning program. At least one educational leader must be nominated for each service center. In many services the director or early childhood teacher may fulfill this role. The leader must have detailed knowledge of child development and possess the skills to guide the pedagogy of other educators. Service owners or management committees develop the position description of the educational leader and determine the amount of time allocated to the role, which usually depends on the number of staff in the center. Many educational leaders are also teaching staff, and different amounts of time may be allocated to educational leaders in different services and locations. There are currently no data on the specific workplace conditions governing the educational leader’s role and activity.

Early childhood teachers (Bachelor qualified) deliver specific early learning programs (preschool or kindergarten) in a dedicated preschool or LDC center, and *educators* (Certificate III or Diploma qualified) generally support teachers and provide education and care to a group of children. Under the guidance of an educational leader, diploma qualified educators generally take an active role in developing, planning, and implementing a program for a group of children.

Professional Preparation (Pre-Service)

Under the NQF, early childhood teachers are required to have a bachelor-level qualification in early childhood teaching, typically obtained from a university. Educators are required to have an ECEC-related Diploma or Certificate III qualification, which can be delivered by a TAFE or a Registered Training Organization (RTO).

While Australian universities are considered generally to be of high quality, there has been great variability in training provision among the vocational education and training (VET) providers. Recent workforce growth and the new NQF requirements for minimum qualifications created greatly increased demand for ECEC training in the VET sector, leading to a proliferation of private RTOs offering courses. However, many RTO graduates, particularly those with Certificate III qualifications, were poorly trained, and unable to demonstrate required competencies. A recent review found that prior to intervention, nearly three quarters of audited RTOs were unable to demonstrate compliance in terms of student assessment. Following the review, new minimum training standards were implemented in 2015 by the Australian Skills Quality Authority (ASQA), which oversees TAFE and RTO training. ASQA regards the ongoing regulation of RTOs offering ECEC courses as a priority (ASQA, 2015).

Professional Development (In-Service)

Ongoing professional development for ECEC educators is critically important if optimal outcomes for children are to be assured. In-service learning opportunities of varying

length are available through a variety of providers, with course focuses including child development, inclusion, and pedagogy. Professional development for most ECEC workers was, until mid-2016, delivered through the Australian Government's Inclusion and Professional Support Program, which funded Professional Support Coordinators, to organize, advise, and train ECEC professionals on a variety of topics. This was particularly active during the implementation of the NQF (2009–16). However, the program recently came to an end, placing responsibility for professional development on employers. A national review of ECEC received submissions reporting that educators were given little opportunity for professional development during paid time and often had to pay for materials themselves (Productivity Commission, 2014b).

It is now mandatory that early childhood teachers register in order to practice in three states (Victoria, New South Wales, and South Australia), and registration is being considered for early childhood teachers to practice in Queensland as well. Teacher registration authorities in each state and territory work with the Australian Institute for Teaching and School Leadership (AITSL) to accredit degree programs so that the qualifications meet set teaching standards, and ensure common expectations and requirements of teachers, including their engagement in in-service professional development. All primary and secondary teachers employed across Australia are required to be registered with their State Registration Authority in order to practice, which also allows for easy movement of teachers from one jurisdiction to another. The transition of early childhood teachers into this system is well underway.

Registered teachers are required to complete prescribed hours of professional development each year to maintain registration and be eligible to teach. No such requirements exist for lower-qualified educators (less than degree qualified), and so there is less incentive for employers to support professional development for these staff. Professional agencies, such as the Early Learning Association of Australia and Gowrie Australia, provide professional development opportunities, particularly to community

(non-profit) providers, although staff from across service management categories take part.

Compensation

Under the Fair Work Commission (Australia's workplace relations tribunal), either the Educational Services (Teachers) Award 2010 or the Children's Services Award 2010 sets the minimum wages and conditions for Australian preschool and child care professionals, depending on their role. Awards provide pay rates and conditions of employment such as leave entitlements, overtime, and shift work, among other workplace-related conditions. Organizations, including governments, may negotiate an enterprise agreement with employees, which will then replace the award conditions; these are now quite common. Workers unions are active in negotiating enterprise agreements on behalf of their members.

Wages in the child care sector are low, and many child care educators feel undervalued. Award salaries for child care professionals range from \$25,992 (AUD \$36,000) (just higher than the national minimum wage) to \$46,930 (AUD \$65,000) per annum, and staff report, in submissions to a national review, that they could earn more in retail (Productivity Commission, 2014b). Workers may receive compensation of up to double their normal hourly rate for working nonstandard hours. Few employers pay above the award rate. Figures provided by unions indicate that most care workers take home between \$29,385 (AUD \$40,700) and \$33,212 (AUD \$46,000) per annum. Salaries for preschool teachers typically range from \$33,934 (AUD \$47,000) to \$48,374 (AUD \$67,000) per annum, and teachers receive penalty rates of up to double their normal hourly rate for working nonstandard hours and overtime. Under enterprise agreements, kindergarten teachers in some states have achieved close to pay parity with school teachers. Qualified and experienced teachers in a leadership role can earn over \$72,200 (AUD \$100,000) per annum.

An Equal Remuneration Pay Case for child care professionals is currently under consideration by the Fair Work Commission (see Box 7), with no set date for the decision to be handed down. The issue of inequities in the compensation of workers under different awards (as is the case between child care professionals and teachers) also points to the inability of a market to pay equitable wages to child care professionals whose qualifications and performance requirements have increased over recent years. The situation also accounts for the progression by many in child care services to further (degree-level) study to become teachers, and subsequently move into settings (preschools and schools) where conditions and wages are significantly better.

All workers are entitled to compensation conditions that, at a minimum, include ten National Employment Standards. These standards include set minimum periods of leave, maximum standard hours of work, and conditions around employment termination. Furthermore, under the awards, ECEC workers are also entitled to small allowances for meals, laundry, travel, etc. Further benefits may be included in enterprise agreements.

Box 7: The Child Care Worker Wage Case Currently Before the Fair Work Commission

- Child care workers have low wages and feel undervalued.
- On behalf of child care educators, the United Voice Union lodged a claim with Australia's industrial relations umpire, the Fair Work Commission, for significant pay raises for the sector of between 39 percent–72 percent. In 2016, the average adult full-time wage in Australia was close to double the average wage of a child care worker.
- The union is arguing that the mostly female workforce members earn less than men with similar-level qualifications (certificate or diploma), because child care is viewed as “women's work in the home.” The union must prove that women working in child care are disadvantaged compared to men working in a comparable industry. The gender pay gap in Australia was 16.2 percent in 2016.

- In late 2016 and again on International Women's Day 2017, the child care sector took industrial action for the first time in 30 years, with a small number of educators striking for an afternoon in support of this claim.
- To avoid passing costs on to families, the union is pressing for the Australian Government to subsidize the wage raise. It has estimated that \$1.95 billion (AUD \$2.7 billion) over four years would be required to fund the claim, or approximately an extra \$7.22 (AUD \$10) per child place per day (Toscano, 2016).

Attracting, Promoting, and Retaining the Workforce

In a national review of ECEC, providers reported struggling to recruit appropriately qualified ECEC staff, particularly teachers, with the problem being especially pronounced in rural and remote areas. The providers who experienced little difficulty recruiting and retaining staff offered above-award wages and conditions.

The ECEC sector has a career structure in which higher qualifications apparently ensure access to more leadership roles and higher remuneration. Furthermore, because of differences in the pay and conditions between degree-qualified teachers and certificate- or diploma-qualified educators, the potential exists to work toward moving out of ECEC into preschool and school settings, which generally offer better conditions and remuneration. ECEC service providers in a market may choose to offer a majority of positions requiring the minimum level of qualification, and in this situation the length of service or level of qualification does not greatly impact on the earnings available for a position. This acts as a disincentive to ECEC workers to obtain further qualifications or to remain in the sector. Further, the review reported that staff had limited opportunities to undertake further training or study in paid time (Productivity Commission, 2014b).

In 2013, a national ECEC workforce census staff survey of over 70,000 ECEC workers found that most respondents entered the sector because they wanted to work with children. Eighty-seven percent of the workforce were satisfied with their job, but only 49 percent were satisfied with their pay and conditions. Only a small proportion of the

respondents to the survey (11.2 percent) indicated that they would leave the sector today if they could, and most workers (80.4 percent) expected to be with the same employer or business in 12 months' time. Dissatisfaction with pay and conditions (28.5 percent); return to study, travel or family reasons (22.4 percent); and job stress (20.5 percent) were noted by respondents as reasons why staff thought they may finish their current job in the next 12 months (DET, 2014).

Evaluating the Workforce

Effective leadership and management is the seventh Quality Area of the NQS. This area focuses services on having an ongoing cycle of planning and review, including engagement with families, and a culture of continuous improvement. Evaluation of the performance of educators, coordinators, and staff is vested within this area, and requires services to hold individual staff development plans to support performance improvement. Authorized Officers review these plans when an NQS assessment visit is conducted. Ultimately, however, staff evaluation and consequential action is up to individual services or management bodies.

Health Professionals Who Support ECEC

Allied health professionals have a role in supporting children within ECEC services, although access to specialist support (e.g., speech pathologist, psychologist) is limited. Furthermore, integrated service provision is uncommon in general ECEC practice in Australia, despite considerable rhetoric in policy and practice literature over past decades. There are some exceptions: Multifunctional Aboriginal Children's Services often incorporate health services, and more recently the Connected Beginnings Program, launched in 2016, funds the development of integrated services in Aboriginal Communities with the aim of achieving better outcomes for children and supporting successful transition to primary school.

Innovations, Quality, and Challenges

A highly trained workforce contributes to quality. Under the NQF, the ECEC workforce overall is becoming more qualified; however, significant concerns persist regarding the quality of training that some educators have received through RTOs. Furthermore, the structures surrounding pay and conditions within ECEC centers create a climate in which educators are rarely rewarded for completing further study or achieving higher qualifications, unless a leadership position becomes available. Yet ongoing professional development was thought by policymakers (key respondents) to be very important. There is an opportunity to make a substantial difference to children's cognitive development well before school by having early childhood educators further develop skills in promoting children's learning. Effort to focus professional learning investments more directly on interactions that promote learning is a current interest among policy leaders and lead educators. However, ensuring that high-quality professional development is available, especially in small-scale services and for-profit services, is a significant challenge, particularly given that the Australian Government recently ended the program that had previously funded professional development for child care workers.

Summary: Key Themes for Consideration

Australia has embarked upon professionalizing the ECEC sector, and generally this has been met with enthusiasm by staff working in ECEC services, especially as they received government-sponsored professional development experiences in the years from 2009 to 2016 as the NQF was being implemented. The insertion of the new role of educational leader into the NQF legislation signified the paradigm shift to education and learning, and offers new impetus within centers to work as a team on improving the curriculum and pedagogy in place. Yet, the differentiation between early childhood teachers and educators is problematic. Recent steps that require early childhood teachers to register and meet the requirement of the teaching profession are welcomed as early childhood teachers achieve compensation parity with primary and secondary

teachers, yet this also brings them further away from certificate- and diploma-level educators in terms of pay and conditions.

Cultural change toward a more professional sector also brings pressures for staff, and new challenges for employers as remuneration and staff conditions are expected to improve. Pre- and in-service development related to NQF reform prompted the establishment of many new Registered Training Authorities, and the quality of training was seriously questioned through the Australian Skills Quality Authority Review (ASQA, 2015). How the ECEC system funds and ensures the quality of professional learning, and address the inequitable remuneration of staff working in some service types, are significant and pressing questions.



Part 5
Fostering
Equitable
and Efficient
Services

Chapter 11: Governance

This chapter focuses on the role that governance plays in fostering equitably distributed and efficient services for young children. It presents information on the key ministries and their roles in the governance of services to young children, and delineates the ways that coordination among ministries takes place. The chapter also provides information on the nature of vertical linkages across national, state, and local levels, while also focusing on the relationship between the public and private sectors in the delivery of ECEC services.

Key Points

- Beyond implementation of the NQF, the COAG Education Council plays a limited role in guiding ECEC provision.
- The Australian Government is responsible for ensuring the adequate availability and affordability of child care services, which it does within a market-based framework.
- States and territories are responsible for ensuring the adequate availability and affordability of preschool services.
- The provision of ECEC services in particular locations rests mainly with market forces. The market approach has delivered private investment to expand the system and better meet demand for ECEC programs; however, most of the increase in service is created by the for-profit sector and located in urban/ metropolitan settings. Market failure is apparent in regional and remote localities, where communities must rely on government-led services.
- An absence of policy and planning coordination is seen to have failed to deliver the required services for some groups, and in some locations.

Level of Authority for Governance, and the Involved Ministries

Table 11.1 Level of government responsible for setting ECEC policy for children aged 0–3 years (0.1) and children aged 3 to the start of primary schooling (0.2)

Level at which responsibility for ECEC resides	Level 0.1	Level 0.2
Responsibility for ECEC policy lies mostly at national level		
Responsibility for ECEC policy lies at national and subnational levels	•	•

Key:

- Level at which responsibility for ECEC resides

The COAG Education Council (composed of national and subnational members) is the entity that developed and governs the NQF. The Council comprises ministers of the Australian state and territory governments, the Australian federal government, and New Zealand, with portfolio responsibility for early childhood education, school education, and higher education. Hence, the Council has responsibility for all of education from birth to higher education (university). The Council aims to ensure that integrated Australian education systems seamlessly promote high achievement for all students regardless of circumstances. Its program includes responsibilities under Commonwealth and state legislation, national agreements, national partnerships, and other governance arrangements. Each jurisdiction may nominate a maximum of two ministers. Current membership of the Education Council includes:

- Australia: Minister for Education and Training (Department of Education and Training)
- Australian Capital Territory: Minister for Education
- New South Wales: Minister for Education
- New South Wales: Minister for Early Childhood Education
- Northern Territory: Minister for Education
- Queensland: Minister for Education

- South Australia: Minister for Education and Child Development
- Tasmania: Minister for Education and Training (Department of Education)
- Victoria: Minister for Education (Department of Education and Training)
- Victoria: Minister for Families and Children (Department of Education and Training, Department of Human Services)
- Western Australia: Minister for Education
- New Zealand: Minister of Education (Non-decision-making role)

National Coordinating Strategy

The National Early Childhood Development Strategy was approved by COAG and continues to be evident on national websites (COAG, 2009a). However, it is recognized among key respondents as receiving limited attention from current governments. The change of federal government in 2013 heralded a change in orientation toward a range of education and social services policy matters. The last public reporting on progress under the Strategy was in 2012.

Interministerial Articulation

The COAG Education Council (described above) meets at least twice a year and more frequently if required. In 2017, for instance, four meetings were scheduled. The Council is supported by a structure of subgroups and working groups that traverse different departments. This includes the Australian Education Senior Officials Committee (AESOC), which provides policy advice to the Council and implements decisions, and the Early Childhood Policy Group, which supports AESOC in its responsibilities. A number of working groups (focusing on, for example, data or vulnerable children) from a range of departments feed into the Early Childhood Policy Group.

The Education Council has overseen the implementation of the NQF; however, beyond this function, the Council does not engage in management or planning of the ECEC sector, which continues to be driven by the market. This has led to equity of access

issues in areas of disadvantage or insufficient population. Intergovernmental engagement is hampered by some lack of data sharing, which is necessary for effective planning. A dedicated data system was developed for the purposes of the NQF assessment and ratings process, though beyond this, information sharing is still limited.

Vertical Integration and Intersectoral Activity

Vertical integration, for example between ECEC and school education systems, remains uncommon, perhaps because of the fundamentally different structures of these two systems. The ECEC sector is a mixed market with a large proportion of private operators, particularly in the LDC sector, with parents choosing to purchase—or not to purchase—services, whereas the school education sector is a universal system guaranteeing all children (from age 6) the statutory right to a free place in a government school.

However, at the curriculum and pedagogical level, the NQF promoted new connections between ECEC and primary school. Integration of ECEC and primary curriculum and pedagogy is illustrated through numerous documents and practices. These are described in chapter 7 (curriculum integration and transitions) and chapter 13 (linking ECEC provision with schools).

One avenue for ECEC stakeholder input is through the Australian Government Minister for Education and Training's Ministerial Advisory Council for Child Care and Early Learning, although stakeholders' roles are limited, because this Council is not responsible for comprehensive planning or coordination. The Council meets three times per year, and comprises representatives of a selection of ECEC peak bodies (advocacy groups), an academic, and the CEO of a community-based large provider (DET, 2017c). Other efforts are made through advocacy, typically through peak stakeholder bodies, such as Early Childhood Australia, and from large providers (for-profit and not-for-profit) on the part of the ECEC sector.

Innovations, Equity, Efficiency, and Challenges

Strategic planning beyond the already-developed NQF is predominantly left to individual governments. Despite real achievement over the past decade by COAG and the Education Council, the separate functions of states and territories (responsible for availability and affordability of preschool services) and the Australian Government (responsible for availability and affordability of child care services) limits innovation and results in the continuation of uncoordinated planning for Australian ECEC provision. The market-driven planning approach has contributed to private investment in the expansion of ECEC services, though most of the increase in services has been created by the for-profit sector and issues of equity and challenges in providing adequate services to Australians living in regional or remote locations persist. An absence of policy and planning coordination is seen to have failed to deliver the required services to some groups and in some locations.

Summary: Key Themes for Consideration

In a federated country where governments are working to coordinate the provision of services (such as ECEC and education) across the country, changes of government at federal, state, or territory level pose challenges as new governments adjust to large, cross-cutting agendas and seek to implement their own initiatives or priorities. Because governments in Australia are typically elected for either three- or four-year cycles, policy initiatives that may take up to a decade to implement, such as the National Quality Agenda for ECEC, are challenged to maintain momentum. At the outset of the National Quality Agenda (2008–09), both federal and state/territory governments were politically aligned (Labor governments). High energy was expended to generate the policy, and legislative documents passed all houses in the name of NQF reform. Despite numerous changes of government (at federal and state level) since 2009, the broad National Quality Agenda has progressed, although not all aspects of the original vision have been promoted. One notable shift in orientation has been attention to integrating child care and preschool which, historically, developed separately. Several actions, such

as the commissioning of multiple ECEC-related reviews by the Productivity Commission, indicate that the Australian Government still can be said to view these as separate service types, the former being primarily to support workforce participation and the latter being for education of the child. The National Quality Agenda, on the other hand, heralded a paradigm shift in bringing these services together under the current NQF legislation. Despite many shifts over time, Australian ECEC system reform has been both remarkable and successful.

Chapter 12: Finance

This chapter focuses on the role that finance plays in fostering equitably distributed and efficient services for young children. The chapter presents an overview of the major funding amounts and strategies deployed in Australia to assure the viability of the ECEC system, including the involvement of the private sector. Recent, yet incomplete, changes in funding are also outlined.

Key Points

- ECEC services in Australia are funded by a mix of public funding and parent fees.
- Public funding is split, with Australian Government funding child care provision. Preschool programs are funded by the states and territories with block grants (from the Australian Government) to implement universal early childhood education provision in the year before school.
- Australia's public investment in ECEC as a proportion of GDP is below the OECD average.
- The historical split of funding responsibilities between care and education drives the division of ECEC in terms of service delivery and quality, with preschools providing higher quality programs, but child care services providing better coverage of working hours.
- In child care, families are positioned to drive the market through their choice of provider. However, the market is impeded and failures occur, particularly in access for special needs groups and access in inner-city and rural and remote areas.
- Government measures to address affordability have been successful in the short-term only.
- The Australian Government is currently reforming the child care subsidy system, with new subsidies in place from July 2018.

Description of Key Funding Sources

Historical Roots. The split between “care” and “early childhood education” in Australia, both historically and currently, is institutionalized within government funding arrangements. The Australian Government allocates public funding for the care component of the ECEC system, and the states and territories provide public funding for preschool. In 2014–15, Australian Government funding for child care accounted for approximately 83 percent of the total government funding for ECEC. Preschool funding constitutes approximately 17 percent of public ECEC funding.

Since 2009, the Australian Government provided states and territories with a block grant to support preschools so that there will be universal participation by all children in the year before their entry into formal schooling. Arranged under a national partnership agreement, the National Partnership on Universal Access to Early Childhood Education (NPA UA ECE) (COAG, 2016), this grant program reflects greater interest by the Australian Government in the direction of early childhood education, particularly as it relates to improved education and human capital outcomes.

Revenue Amounts. Public investment in ECEC in 2014–15 was \$6.14 billion (AUD \$8.5 billion), as summarized in Table 12.1. Funding has increased over time, particularly as more children access services and efforts to maintain affordability are expanded. Block funding to support services delivering ECEC to children with additional needs, however, has been kept relatively stable.

Table 12.1 Australian public investment (federal and state/territory governments) in ECEC services 2014–2015 (Source: SCRGSP, 2016)

	Child Care (0–12), Australian Government funded	Preschool, State funded
Recurrent expenditure	\$5,105,446,110 (AUD 7,071,255,000)	\$1,021,119,546 (AUD 1,414,293,000)
Net capital expenditure	\$18,782,830 (AUD 26,015,000)	\$29,592,614 (AUD 40,987,000)
Total expenditure	\$5,124,228,940 (AUD 7,097,270,000)	\$1,050,711,438* (AUD *1,455,279,000)

* Includes NPA UA ECE funding.

Despite overall funding growth and significant policy attention from government, the current level of expenditure on ECEC in Australia remains below that of most other OECD countries as a percent of GDP. ECEC funding in Australia in 2013 was 0.6 percent of GDP. For pre-primary (preschool) spending, only two OECD countries were reported as having lower than Australian public spending (OECD, 2016).

Key Public Supply-Side Funding Streams. In Australia, supply-side funding is the dominant funding approach for preschool, with funds flowing from the states and territories to providers who render services to children. This approach reflects an educational orientation wherein the states and territories provide overall funding for schools. The Australian Government has also adopted a supply-side approach for its funding of the preschool guarantee that provides for universal access to 600 hours of early childhood education per year in the year before entry into formal school.

Supply-side funding is used to support child care services in areas where they would otherwise not be viable. This funding also supports access for groups with additional needs. Remaining relatively stable over time, this funding accounts for a little over 10 percent of Australian Government child care expenditures.

Table 12.2 Supply-side funding from central funds for children aged 0–3 (0.1) and children aged 3 to the start of primary schooling (0.2)

Types of supply-side funding	Level 0.1	Level 0.2
Funded places subsidy		•
Staff salary subsidy		
Capital grants for acquisition and improvement physical plant	•	•
Resource grants	•	•
Key:		
• Supply-side funding is available		
n/a Funding from central funds does not exist		

Key Demand-Side Strategies. Demand-side funding is the primary mode of funding used for child care services. Reflecting a market orientation that enables families to select from an array of child care options, demand-side funding was deemed by the Productivity Commission as a vehicle that would:

- *facilitate choice for families:* promote (allocative) efficiency by encouraging providers to respond to the preferences of families, including about center location and the type of care provided; and
- *support competition between providers:* give providers an incentive to minimize the cost of producing the services they provide, since families respond to the fees they must pay above any subsidy they receive.

Demand-side funding is calculated on a per-child basis and is either provided by the Australian Government to families or administered on their behalf. In 2014–15, demand-side funding accounted for almost 90 percent of Australian Government funding for child care and the majority of ECEC funding overall. There are several major strategies, with two notable ones being the Child Care Benefit (CCB) and the

Child Care Rebate (CCR). Additionally, subtypes of CCB can cover the entire cost of fees:

- Jobs, Education and Training Child Care Fee Assistance (JETCCFA): helps with the cost of approved child care for eligible parents (such as those on a low-income allowance) undertaking an approved training or work activity
- Grandparent Child Care Benefit (GCCB): available to grandparents who receive an assistance payment from the government and are primary carers for one or more grandchildren
- Special Child Care Benefit (SCCB): approved at service-level if a child is at risk of serious abuse or neglect, or if a family is experiencing short-term hardship. The initial approval stands for 13 weeks and can only be extended by Centrelink (the DHHS agency responsible for distributing SCCB and other benefit payments).

In 2012–13, child care assistance payments were provided to over 950,000 families. The majority (61 percent) were families receiving CCB and CCR, and another 22 percent were families receiving only CCR. Relatively few families were in receipt of GCCB and SCCB.

Table 12.3 Demand-side funding from central funds for children aged 0–3 (0.1) and children aged 3 to the start of primary schooling (0.2)

Types of demand-side funding	Level 0.1	Level 0.2
Tax credits/relief		
Vouchers		
Reduced fees	•	•
Family allowances		
Key:		
• Demand-side funding is available		
n/a Demand-side funding does not exist		

Key Private Funding Sources, and Copayments. Private funding sources are critical to ECEC functioning. Private funding sources include parent fees and different forms of provider service revenues. Each is described below.

Parental Fees. The prevailing view in Australia is that some level of copayment—through an out-of-pocket expenditure—is generally desirable in social service systems. Copayments are argued to encourage consumers to consider their level of usage, empower consumers to demand more from the service providers, and reflect the private benefit that accrues from service use. In the case of ECEC services, parents pay an out-of-pocket fee reflecting the cost of services, adjusted for government subsidies. So, for example, in 2015, the median weekly cost of 50 hours of long day care was \$289 (AUD \$400) before subsidies are considered. On average, after subsidies, families cover 37 percent of the cost of child care—a percentage that has changed little in recent decades. That means, on average, families pay \$106.93 (AUD \$148) a week. The level of government subsidy varies by income level, with higher subsidies for families on lower incomes. Although these parental fees in the form of copayments may contribute to a more efficient market for ECEC services, there can be situations where even a low copayment may discourage the participation of high-priority children (from a community perspective) in ECEC. For example, where the child is at risk of abuse or neglect, a zero copayment is argued to be appropriate (Productivity Commission, 2014b). The Grandparent Child Care Benefit and the Special Child Care Benefit also reduce the copayment to zero under certain conditions.

Service Provider Revenues. Government subsidies are the largest contribution to the sector overall. Subsidies can be accessed on an equal basis by public (state, local), nongovernment (charities), and private for-profit providers (small companies to corporations). The original rationale for extending the subsidy utilization to for-profit services was to “level the playing field” for all providers, thereby stimulating future investment in child care from the private sector.

In addition, services can often operate as broader for-profit businesses with revenues from a number of sources, including:

- *Property development*, in which a related business purchases or builds an ECEC center, and leases it back to the core ECEC service in the form of rent, providing a confirmed stream of future revenues.
- *Training businesses*, in which ECEC staff are enrolled to achieve new qualifications, and the provider benefits from separate government training subsidies.
- *Education equipment*, in which equipment is purchased and resold to the core ECEC service.

In addition to these revenues, secondary child care markets have taken hold in the country. For example, in 2016, the Folkestone Education Trust—the largest Australian Securities Exchange-listed real estate investment trust that invests in early learning properties—held 393 ECEC properties, utilized by 29 tenants. The Trust aims to provide investors with “secure and long-term cash flows” through identifying “high success locations through proprietary modeling of demographic trends,” focusing on sites close to the central business district and “rapidly expanding growth areas.” The Trust reported \$77.12 million (AUD \$106.8 million) net profit in 2015–2016, an increase of 20.5 percent on the previous year, partly driven by rent increases of 5.5 percent. The Trust’s annual report noted that future growth was supported by ongoing increases in child care fees (Folkestone Education Trust, 2016, n.d.).

The extent to which incentivization of the for-profit sector has enhanced the quality and availability of ECEC services to Australian families is debated. On the one hand, some argue that the for-profit sector has increased the availability of ECEC in the country. Others, however, question the degree to which the motivations of for-profit entities are suitably aligned with those of nonprofit providers. There are notable concerns about quality, which have led to calls for increased oversight of for-profit entities. Following

the 2008 collapse of ABC Learning (a large corporate child care provider), new legislative powers were introduced to monitor the viability of larger providers.

ECEC Funding Approach

We have two completely separate funding streams. True choice would be facilitated by a single system. You have a situation where two children in similar circumstances get different levels of funding. Previously the choice was a distinction between education or child care, and the NQF has worked to remove that. Now it's the subsidy that can influence the choice. The system needs a revised funding arrangement—it needs to be service blind, based on the child, their needs, and family capacity to pay.

(Respondent)

In Australia, the funding design shapes the system. There's still a distinction between preschool and long day care in funding even though 50 percent of kids in preschool are now in long day care settings. Affordability is a key question for families but the interaction between state and Commonwealth Government funds isn't clear.

(Respondent)

The voices of these study respondents indicate that the overall approach to funding ECEC in Australia is both complex and inherently distinguishes between child care and preschool, despite efforts to overcome this schism. In part, this divide is driven by different roles and capacities across governments. In particular, the Australian Government raises the large majority of public revenue and supports child care, while states have responsibility for early childhood education. Intergovernmental debate arises about funding roles—whether this is an Australian Government responsibility because it is occurring in a child care center or a state responsibility as it is an early childhood education program. Consequently, the discussions are about who is paying for part of a program that is “care” or “education.” The differences in demand-side and

supply-side funding mechanisms fortify distinctions, so that the system frame, approach, and level of government best situated to lead the overall system in support of access to quality and affordable ECEC warrants further debate.

Efforts to bridge these schisms have taken hold. The NQF now applies across settings, and there is a common monitoring system that is used in both the child care and preschool sectors. Moreover, when funding for the preschool effort was launched, many of the spaces were allocated to long day care, so that in 2016, for the first time, more than half of the total number of children accessing early childhood education in the year before school were in a child care center rather than a preschool (ABS, 2017). Noted one respondent:

We have two historical funding streams—States provides education-based funding and the Commonwealth Government provides workforce participation-based funding. The two systems are now starting to come together as a result of the NQF. We're seeing preschools extending hours to provide wraparound care, and Long Day Care are realizing that we need more qualified staff—there's a merger of provision...there will come a point where you won't be able to tell the difference in provision. The funding streams will need to come together to better reflect this.

(Respondent)

The Australian Productivity Commission (2014b) also noted further issues to address in Australian ECEC: inadequate places for children under 2; poorly distributed locations of services (i.e., the preponderance of facilities are located in cities; rural areas lack suitable access), and inflated costs in areas with fewer places; lack of flexibility; and many good services with long waiting lists. Their report concluded that the current child care system was “complex and costly,” noting that:

- The quality of services is difficult for parents to judge.

- Choice for some parents may be restricted due to a limited number of service providers operating within their local area, high switching costs (for example, the process of resettling a child into a new arrangement), or extensive waiting lists in some areas.
- Some providers have keen social interests, which can lead to fees not being reflective of the underlying cost of services, albeit potentially improving access to, and the affordability of, services for selected groups of users.
- Some aspects of the extensive regulatory requirements in the sector could create unnecessary costs, heighten barriers to entry, and constrain the ability of providers to increase productivity, innovate, reduce costs, and respond to demand.
- Subsidies may reduce pressure on providers to improve productivity and control prices or delay the exit of inefficient services.
- Parents may not fully take account of externalities — benefits or costs accruing to the wider community — associated with a child’s development and workforce participation, which may mean child care use could be more or less than what is socially desirable. (Productivity Commission, 2014b, pp. 348–349)

To assuage these concerns, and understanding the limitations of a market approach, the Commission proposed to change the child care funding system to help make it easier for women to return to the workforce, and to control costs. Drawing on the work of the Productivity Commission, the Australian Government passed omnibus legislation, known as the *Jobs for Families Package*, that attempts to simplify the child care subsidies system, requires parents to meet a work/ activity test to access subsidies, and purports to increase flexibility.

Despite these efforts, the overall direction of this legislation will further embed disparate funding structures and exacerbate differences between child care and early childhood education. It also runs the risk of further disenfranchising vulnerable families

who do not meet the work/activity test by limiting their children's access to ECEC. As one respondent explained,

A feature of the system is that subsidies are targeted to working families and there's a tightening of eligibility [for] subsidies under the new Jobs for Families Package. It will make service access reliant on workforce participation a stronger structural feature of the system. The approach doesn't acknowledge the dual outcomes [workforce participation and child development] for this level of investment. The outcomes are not opposite, and you can make the system work towards both outcomes. (Respondent)

Paradoxically, while states and territories pursue policies to align education and child care, and parents have begun to favor more integrated ECEC services that offer both state-funded preschool and child care, the child care subsidy reform, in tightening eligibility, emphasizes workforce support and de-emphasizes the educational benefits of early childhood education.

Further underscoring the need for some form of ECEC integration, there is no "systems approach" to governance and no regularized route for parent input into the larger system. There is no comprehensive planning—planning within the child care sector is predominantly left to the market, with parents positioned as organizers. In addition, the lack of parent voice at the policy level is notable, with no formal mechanism for engagement with government over system policy. Submissions to public inquiries, and recently formed coalitions of parent advocates, are the limited levers of influence at families' disposal when accessibility is a problem. In short, the market is being burdened with responsibility for ECEC, enhancing the challenge of service integration for young children in Australia.

Affordability and Quality in the Context of Parental Choice

Integration of ECEC services is not the only challenge. Developing and keeping services affordable and of high quality to all children are dominant issues in Australia. With

regard to affordability, the Government pays around two thirds of the cost of approved child care, while families pay the residual. Most families received subsidies of between 50 percent–90 percent of their child care fees in 2011–12, with low-income families receiving the highest subsidy levels, and the average gap fees that parents pay falling around 37 percent (Productivity Commission, 2014a). When considered against weekly disposable income, out-of-pocket costs for child care (one child in LDC for 50 hours per week) amount to between 7 percent for higher-income families after subsidies and 11.1 percent for lower-income families after subsidies. To address affordability, the Australian Government adopts the use of consumer power by constraining subsidies and exposing providers to pressure from parents to keep fees low. Other reform attempts have sought to address affordability through increased funding, but these have only been successful in alleviating out-of-pocket cost increases in the very short term; once the immediate effects of these policy changes have abated, out-of-pocket costs continue to grow much faster than the Consumer Price Index (CPI), which is a measure of price change for goods and services across the economy.

Some have called for curbing improvements in quality as a way of staving off rising costs. For example, media reports in recent years have fed a perception that improvements in quality are leading to fee increases. However, there has been limited scrutiny of the role of the for-profit sector in rising costs. Little or no reference is made to the rising price of property / real estate and rentals, and the effects on the fees charged by services, particularly within a growing private child care market. Adding to the problem is that child care is considered an investment opportunity and the proportion of for-profit services in the sector is increasing. In 2014–15, the child care services industry in Australia is estimated to have made almost \$722 million (AUD \$1 billion) in profit. Quality discussions, while of grave concern to the profession, are not dominating the policy discourse.

The argument about quality leading to rising costs is particularly hard to sustain when considering the wages for early childhood professionals. Despite child care fees

growing at above CPI rates, the wages of staff working in child care remain at just above the national minimum wage, which is \$13.58 (AUD \$17.70) an hour, or \$516.24 (AUD \$672.70) a week. In a context where services competitively keep their fees low to remain affordable, and yet need a profitable return on capital investment, it is unlikely that staff wages or training will grow in response to increased subsidies. Sustainable gains in quality will be very difficult if centers are unable to attract, train, and retain staff.

Reconciling the tensions between affordability and quality is difficult in any policy context, but it is nearly impossible in one that is dominated by parental choice, a central tenet of the Australian child care system. The approach places the Australian Government at arm's length in relation to service access, and places strong reliance on parents' having enough information to judge the quality of ECEC programs for young children. This assumes parents can find and afford optimal programs, and assumes parents can switch services when programs are poor, and thereby drive up the overall quality of programs. To help discern the viability of this approach, accessibility and affordability aspects of parental choice are reported periodically at the national level. In addition, a national website (MyChild.gov.au) provides information on available places and the fees of individual providers, with information volunteered by providers. The website also identifies the service quality rating through ACECQA. Despite this, unfortunately, quality and affordability remain two challenging aspects of Australian ECEC.

Equitable Distribution of Funds

Governments are routinely turning to ECEC as a means of alleviating learning gaps among children. Australia is not an exception as it is particularly concerned about the overall equity and performance of youngsters living in remote areas. Because many child care policies are designed for metropolitan areas, they do not work well in rural and remote contexts where there are often inadequate resources and personnel to

maintain a system that purports to offer choice to parents and families. The Productivity Commission (2014b) noted that:

...it is a government decision on the extent to which ECEC services should be universally available, including in rural and remote areas.... In the absence of a commitment to universal access, the case for funding services that will never be financially viable needs to be based on there being a clear community benefit to warrant the public expenditure. This may be the case for some rural and remote services that target disadvantaged communities...but will not be a valid claim in most communities.

To support vulnerable children, several forms of funded assistance are available:

- Most states offer free or low-cost kindergarten to families experiencing vulnerability or disadvantage (e.g., those known to child protection, those with health care cards indicating indicate eligibility for a range of government benefits, and Aboriginal and Torres Strait Islander children). However, the 15-hour per week support for early childhood education is insufficient to support workforce participation goals.
- For children with high, ongoing support needs, the Australian Government Inclusion Support Program provides advice and support to build the capacity of eligible services to include these children. Children with demonstrated ongoing high support needs include children with assessed / diagnosed disability or are from a refugee or humanitarian intervention background.
- For children at risk of serious abuse or neglect, or where families are experiencing temporary financial hardship, the Australian Government Special Child Care Benefit is a payment to assist by covering up to the full cost of child care. There is a time limit of a 13-week period for which SCCB is available, which can be extended on approval. However, seeking initial and further approvals during circumstances when the lives of vulnerable children and families may be

chaotic has proved difficult. If approval is not received, then services are often left with unpaid bills, providing a disincentive to work with vulnerable children. In addition, it may be desirable for such children to have continuing rather than time-limited funding support.

The role of public funding in addressing inequity in education outcomes is by no means assured. ECEC is regarded as one of the “preventative actions” that can assist in overcoming disadvantage. The Productivity Commission acknowledged this role on grounds of both equity and efficiency, and recommended funding growth. However, Australia does not monitor absolute participation rates of special needs groups, and there remains underperformance in this area.

Durability of Funding Over Time

Australia maintains a strong rhetorical commitment to young children and their families, but the durability of funding amounts and approaches has not been similarly solidified. As noted, the Productivity Commission inquiry focused on flexibility and affordability; subsequently, the omnibus legislation altered the approach by imposing an “activity test.” Unclear in its actual resolution, the legislation reflects changing attitudes toward ECEC, and has raised apprehension from providers. Of particular concern is the impact of the reform on low-income families. Coupled with lingering uncertainties regarding preschool policies, this change has rendered the future of Australian ECEC in considerable uncertainty.

Fundamental issues of ECEC system funding governance and purpose remain to be addressed on a sustainable, systematic basis. Currently:

- *Funding prioritizes service growth but not improvement:* Allowing the market to evolve per the business or community priorities of the service providers can produce unintended policy outcomes. This includes the escalation of fees above CPI growth, and concurrently, the maintenance of relatively low wages for ECEC

staff; market failure in the provision of services in areas deemed unviable from a business perspective; and issues regarding capital development and rentals of property in a booming real estate market, among other aspects.

- *Funding is not coherent across ECEC:* The continuing split of funding responsibilities between care and education leaves ECEC divided. This funding split is evident in terms of service delivery and quality. Preschool programs are rated more highly by parents, and in research studies involving LDC, FDC, and preschool. The subsidy to parents is the main funding to ECEC, and this funding may not be sufficiently direct to ensure ongoing investment in quality improvement efforts.

Summary: Key Themes for Consideration

Recent innovation in ECEC financing through the Productivity Commission (2014a) represent a substantial effort. Impeded by its limited terms of reference and the overall lack of engagement of states and territories, the recommendations focused on market and subsidy design, rather than the objectives and governance of a future-oriented ECEC system. Consequently, a number of continuing challenges remain, including:

- Initiatives (to date) to expand access and improve affordability have not proven to be both effective and efficient. There is still a sizeable proportion of children under 5 who do not currently benefit from high-quality, appropriate early childhood experiences.
- Affordability remains a core challenge of the ECEC system, with governments unable to make lasting impact. The structure of the subsidy system gives for-profit providers no incentive to contain fees. The proportion of for-profit services is increasing in line with growing demand for child care, meaning the problem is poised to be perpetuated.
- Funding in child care to increase access and participation for at-risk groups has had limited effect, despite general increases in demand for ECEC services and

the frequently cited objective for ECEC as an early intervention for children who are at risk and vulnerable.

- The lack of coherence of ECEC funding continues with the child care and preschool funding split within the federal system. Despite the strengths of the NQF governance framework in progressing toward integrated ECEC provision, and increased use of integrated child care and preschool services in the community, Australia has not pursued an integrated financing framework.



Part 6
Sustaining
Services

Chapter 13: Family, Community, and Primary School Linkages

This chapter addresses the ways in which families, communities, and schools are involved in sustaining services for young children. Specifically, it looks at how families and communities are engaged, the degree to which they are involved, and the degree to which families and communities function as ambassadors of ECEC.

Key Points

- A shift in oversight of Australian ECEC service provision has changed the way families interact with the system, bringing both benefits and constraints for family engagement and participation.
- Over several decades, provision incrementally moved from a local and community activity to a market approach within a national framework. In this context, parent governance of ECEC services has declined in favor of their role as consumers, principally advocating for their own child.
- Collaborative partnerships with families and communities is one of the seven quality areas forming the NQS, affirming the value of families as partners with the right to actively participate in ECEC service provision.
- An integrated approach to family engagement and support remains challenging in some demographic settings.
- The state and territory governments have the primary role in supporting linkages between ECEC services and schools. The use of transition statements to facilitate linkages for children entering school has become common in recent years, and more ECEC services are being located on school sites, although these changes do not necessarily imply successful transitions.
- A formal advocacy role for families and communities to engage in the ECEC policy-making process is underdeveloped, with no predominant stakeholder body representing parents of children from birth to school age in Australia.

Early Learning and Development Standards

Purposes and Intensity: The Changing Role of Families in the Australian ECEC System.

As children's first and most important educators, families have long had a valued role in shaping their child's educational program. So central is this to effective ECEC that collaborative partnerships with families and communities is one of the seven quality areas forming the National Quality Standard, affirming the value of families as partners with the right to actively participate in ECEC service provision. The standards (under Quality Area 6) emphasize the importance of families and teachers/program personnel having respectful and supportive relationships, families being supported in their parenting role, families having their values and beliefs respected, and families engaging in collaborations with other organizations and service providers to enhance their children's learning and well-being.

Traditionally, families have been heavily engaged in working to advance the development of, and services afforded to, their own children. In community-owned settings, for example, parents had a governance role through volunteer committees of management. These committees had decision-making responsibilities related to budgets and operations. This governance role made parents important drivers in the development of individual ECEC centers, and made them invested in advocating for funding for their services. However, seismic shifts in the structure of the ECEC system over the past decades have radically diminished the role of parents in ECEC governance (Fenech, 2013).

In the 1990s, changes in Australian Government funding policy shifted families' roles in ECEC from drivers to consumers. Specifically, funding patterns moved from operational subsidies that were available only to nonprofit, community-based child care

settings,¹¹ to demand-side funding that parents could use in any service type (Australian Government, 1990, 1996; Brennan, 2013; Gifford, 1992; Irvine and Farrell, 2013). The new funding strategy resulted in for-profit operators entering ECEC en masse, ushering in a new era of a market orientation. Today, families are conceived of as clients of services, exercising influence through their choices as consumers in the ECEC market, and through their involvement in their own child's learning and development. As consumers, their choices are informed by data from ACECQA, which routinely publishes NQS service quality ratings.

While the importance of choice is well recognized, the formal advocacy role for families and communities to engage in the ECEC policy-making process is underdeveloped. Although families have led advocacy efforts targeted toward improving specific service types, or services for their specific demographic, collective action to change the ECEC system has not been a feature of contemporary system development (Fenech, 2013). There is no coordinated parent body that is working collaboratively to influence policy, although the need for this has been noted. For example, in a study of families experiencing disadvantage, the Social Policy Research Center found that instead of focusing solely on their own children, "sometimes families want to work together, share ideas, give each other courage and support and collectively secure the resources they need. But developing trusted networks can be difficult and finding the right resource can be overwhelming" (SPRC, 2014, p. 1). Moreover, one respondent noted that despite a growing understanding of the importance of the early years, there is "a disconnect between the population and politics" such that the public's interest "doesn't translate into political consensus about the private and the government contributions." Efforts to address the need are taking hold, with "ParentHood," a not-for-profit digital campaign

11. The amount of "operational subsidy" granted to community-based long day care services, on average, comprised approximately 50 percent of staff salaries (Gifford, 1992). The subsidies were indexed, and the rates were significantly higher for staff working with children under 3, hence acknowledging the greater cost of providing quality care for infants and toddlers.

organization, becoming Australia's largest collection of parent voices. There is room for continuing expansion of such a role to inform policy-making. Through this, families could be mobilized to build upon opportunities such as mandated public comment in the legislative development process, which guides and legitimates policy efforts.

Formality (Codified into Law/Accepted Practice). The requirement for ECEC services to work in collaborative partnerships with families is codified in national law and regulations under the NQS. The NQS assessment of Quality Area 6 (QA6) includes two codified standards:

- *Standard 6.1: Respectful and supportive relationships with families are developed and maintained.* This standard requires that there be an effective enrolment and orientation process for families, that families have opportunities to be involved in the service and contribute to service decisions, and that current information about the service is available to families.
- *Standard 6.2: Families are supported in their parenting role and their values and beliefs about childrearing are respected.* This standard requires that the expertise of families be recognized and that they share in decision-making about their child's learning and well-being, and that current information be made available to families about community services and resources to support parenting and family well-being.

Under the National Quality Framework, ECEC settings are also required to use the EYLF or their state/territory's learning framework, which further embed partnerships with families into ECEC practice. Recognizing families as children's first and most important educators, the EYLF advocates engaging families in a range of ways, including through collaborative assessment practices. These approaches contribute to a richer understanding of children's progress, and empower families to advocate for their children and actively guide their learning and development. A range of practice

guidelines exists to support services to develop collaborative partnerships with families (ACECQA, 2017b; DEEWR, 2010).

Efforts and Strategies. Family engagement with ECEC in Australia takes three main forms. Parents and families are primarily engaged as consumers, as recipients of information, and as advocates for their own children. Families are aided in these roles by the National Quality Framework, which (as noted above) provides information that assists them to select services for their children, and enshrines in the National Quality Standard their right to participate actively in ECEC services. Families' influence in shaping the system beyond the program provided for their own children, however, is circumscribed by their limited role in governance and the unresponsiveness of the market.

Parents and Families as Consumers. At present, this is parents' major role, because all parents exercise this function as they select services for their children. Parents may use their Australian Government child care funding in any ECEC service approved under the national law. Theoretically, parents' choices as service selectors in the ECEC market should drive competition between providers, fostering greater quality, flexibility, and affordability. However, constraints on parents' choices—such as poor access to affordable services, poor access to transportation, and the difficulty of moving children to an alternate venue that might better meet their needs—limit the effectiveness of parent choice as an instrument for shaping the ECEC system.

Parents and Families as Recipients of Information. Families' role as recipients of information is critically important to both their role as consumers, and as their child's first educators. Results from the National Quality Framework's assessment and ratings process are published online, providing families with information about the quality of ECEC services to guide their choices. Families also receive current information about community services, parenting, and family well-being from their child's ECEC service, as a means of strengthening their involvement in their child's education, both in the

home and in the ECEC setting. Families are expected to liaise with staff to contribute to, understand, and facilitate the program that is developed for their child, and to garner information about access to additional services that may be necessary to support their child's learning and development.

Parents and Families as Advocates. Overall, Australia has had only limited formal advocacy by parents and families for the overall ECEC system. Rather, the organized advocacy that existed was formed to advance specific issues or types of services. For example, Kindergarten Parents Victoria (KPV), a statewide organization established in 1991 with support from Victorian members of Parliament, the Office of Preschool and Childcare, and nonprofit organizations, emerged during a period of proposed funding cuts to preschools. At the time, volunteer parent committees managed the vast majority of preschools, and as an organization of parent committees, KPV represented parents as providers of ECEC services. As parent roles shifted, and ECEC provision shifted toward an array of providers and service types, the organization's membership also changed. Today, under the name Early Learning Association Australia (ELAA), the organization is no longer a parent-driven advocacy group; rather, ELAA now represents early childhood professionals in nonprofit services, including preschools, LDC, integrated settings, and FDC (ELAA, 2017).

Another example of parent advocacy that has taken place in Australia has formed around the unique challenges of accessing ECEC in remote Australia. The small and disparate population of remote families acting together in the Isolated Children's Parents' Association exerts important pressure on the Australian Government to address problems of access. Programs such as the Australian Government's "Nanny Pilot" and "In-Home Care" allow rural and remote families to engage a carer to live and work in their home. Not always optimally successful, these efforts have their limitations, yet their existence underscores that importance of diverse groups in advocating for change. Such service expansion in remote areas has challenged the Australian Government's reform agenda, which emphasizes competition between

services, workforce participation, and a shift away from direct service subsidies—all of which are not conducive to service provision in remote areas. The Isolated Children’s Parents’ Association has lobbied relevant government ministers to create a funding model that ensures the viability of mobile children’s services providing programs to rural and remote children. Specifically, the model would provide children in rural and remote areas with additional child care funding based on disadvantage, and extend the Distance Education Allowance to include children accessing distance preschool education programs (ICPA, 2016). This parent advocacy effort plays an important role in highlighting the particular challenges that rural and remote families face in accessing affordable, quality ECEC, and demanding tailored responses.

Variation in Family and ECEC Service Relations. Families’ engagement with ECEC can vary depending on a range of circumstances. For example, families’ roles can vary by service type. In nonprofit centers, families may be engaged with the operation of the service through a voluntary committee of management, as well as by supporting their child’s daily educational program. In contrast, profit-based centers rarely involve parents in budgetary and operational decision-making.

Capabilities and attitudes of service staff toward how best to engage families also affect families’ involvement. For example, educators’ cultural competence—or their understanding of families’ cultural norms and parenting practices, and their ability to communicate and interact effectively with people across cultures—affects the connectedness families feel toward the service (Grace & Tudgett, 2012; McFarland-Piazza, Lord, Smith, & Downey, 2012). For Indigenous families, a key component of cultural competence/safety often rests on employing workers who share families’ cultural and linguistic knowledge. It is critical that non-Indigenous staff have awareness of how to engage and support all cultures, but particularly Indigenous cultures. Building honest, trusting, and collaborative relationships with community members, that work from strengths and focus on empowerment makes families more likely to engage with services (AIHW, 2011a).

Families' immediate priorities can also affect their engagement with ECEC. A recent study by the Social Policy Research Center (SPRC, 2014) of how low-income families navigate the ECEC system found that a significant proportion of families in the study who were not using ECEC services were facing significant adversity. These families prioritized pressing needs such as safety from violence, secure housing, and financial stability over ECEC services. This is not to say that families in hardship are not interested in their children's education, but that a range of supports that respond to families' circumstances and priorities is required. The study found that such families prioritized quality ECEC when they were assisted in articulating and meeting their broader family needs. The study also found that low-income families valued preparation for school in ECEC settings, and felt "play-based" environments did not align with their beliefs about how children should learn—an obstacle the authors argued could be mitigated by better communication between professionals and families. Recognizing the importance of parenting and the home environment, work is underway to better identify and target responses to people at risk, using data and looking at patterns that lead to intergenerational unemployment and the link to welfare systems, according to a key respondent (see, for example, DSS, 2016a).

Evidence of Impact. Services' performance regarding collaboration with families (QA6) is measured by Authorized Officers who are attached to each state and territory Regulatory Authority under the NQF. Authorized Officers are trained and tested via a common national training program that is overseen by ACECQA before being declared "field ready" to assume their responsibilities in the field. Each year the Authorized Officers take tests to ensure that their assessments have not drifted from the commonly agreed standard, and during each year a range of "consistency activities" that are designed to maintain cross-jurisdictional and cross-site reliability take place. Consequently, data related to how well ECEC services engage with families can be considered reliable, nationally.

These data reveal that 91 percent of ECEC service providers met or exceeded QA6 in 2016 (ACECQA, 2017d). Regarding the specific standards making up QA6, Standard 6.1 was exceeded by 41 percent of services, met by 56 percent, and 3 percent of services were “working toward” (that is, not yet meeting) this standard. Standard 6.2 was exceeded by 32 percent of services, met by 63 percent, and not yet met (“working toward”) by 4 percent.

Integrating/Linking with Communities

Purposes (Engagement, Indirect Involvement, Service Provision, Advocacy). Although community-based governance, as a means of shaping ECEC services to local needs, has diminished in recent decades, collaborating with allied services in the community remains vitally important to high-quality ECEC. The purpose of collaborative and integration efforts that bring together ECEC services and other community organizations/social service providers is to provide a continuum of comprehensive services to children and families who require support from multiple practitioners. Links across organizations are intended to improve services for all families, but especially to ameliorate disadvantage for the most vulnerable populations.

There are two main, related approaches to linking ECEC and other community services. The first involves *collaborative partnerships* between professionals from diverse disciplines, who work together across distinct service settings to provide more seamless services to children and their families than they could were they to work discretely. These partnerships are characterized by information sharing, collective planning (including with the family as much as possible), and coordinated interventions that build on one another. They are particularly important for children with additional needs—such as a disability or developmental delay—and for children experiencing vulnerability or disadvantage.

The second approach to integration involves governments and community organizations investing in the collocation of ECEC with allied health and other family

services, to consolidate and link service provision within a local community setting; these sites are typically referred to as *integrated services*. Integrated services are a key strategy in enabling the most vulnerable children and their families to attend ECEC services, including families involved in the child protection system and those experiencing family violence or substance abuse. Integrated services' efforts also focus on communities where existing provision is inadequate, such as in growth areas or rural and remote communities, where the population sparsity and difficulties in attracting and retaining skilled staff have a negative impact on the viability of services of all types. By providing services such as ECEC, early childhood intervention, health, and maternal and child health at one site, integrated services can make service provision more sustainable, and enable more tailored and comprehensive responses to the needs of individual children, their families, and the local community.

Formality (Codified into Law/Accepted Practice). At the national level, the importance of cross-agency collaboration is manifest in National Quality Standard 6.3, which emphasizes collaborative partnerships for the purpose of improving continuity for children and families as they access different support services. National Quality Standard 6.3 requires ECEC services to collaborate with diverse organizations and service providers to enhance children's learning and well-being. This standard requires that: (i) links with relevant community and support agencies are established and maintained, (ii) continuity of learning and transitions for each child is supported by sharing relevant information and clarifying responsibilities, (iii) access to inclusion and support assistance is facilitated, and (iv) relationships are built via engagement between the service and the local community.

States may also formalize their commitments to collaborative partnerships. For example, the *Victorian Early Years Learning and Development Framework (VEYLDF)* (DET Victoria, 2016c) not only applies to ECEC settings under the national law, but is also designed for use by any professional working with children aged birth to eight and their families, including nurses, family support workers, school teachers, and early

childhood intervention specialists. As such, it is embedded in various practice guidelines (e.g., ECA & ECIA, 2012; ECIA, 2017). The VEYLDF provides professionals from diverse disciplines with shared language and goals to underpin multidisciplinary ways of working.

Although initiatives to co-locate integrated services exist in various forms across the country, there are no national-level policies; rather, they are agreed upon by jurisdictions. State and territory governments, usually in collaboration with local governments, determine how service integration will be achieved.

Efforts and Strategies. Collaborative partnerships exist throughout the country and are quite numerous. More challenging, however, is the creation of effective efforts to co-locate services. These pose a particular challenge because they have not been codified in law and because they are inherently more complex, costly, and time-consuming to establish. Successfully integrating child and family services in the same site involves navigating multiple auspices, funding requirements, and norms of practice.

In recognition of these complexities, some states have developed frameworks to guide communities to plan and manage an integrated site. For example, the Queensland Office of ECEC has an integration framework and guideline model of integrated Early Childhood Development that organizations can apply flexibly to integrate with a wide range of child and family services (Office of Early Childhood Education and Care, 2013). The model comprises three elements: child development concepts, service delivery, and enablers, and is supported by a tool to assist organizations in reflecting on how they deliver services within their localities. No evidence is available on how widespread implementation of the co-location approach is. The Western Australian State Planning and Development Framework (Western Australian Government, 2013) also sets out a planning and development process that aims to guide state and local governments to work together to ensure regional and local development initiatives are complementary and cohesive. While these initiatives have wider reach than ECEC

alone, ECEC programs can benefit from this whole of government approach. There is no available evaluation evidence of the effectiveness of this framework.

Moving beyond frameworks, various Australian jurisdictions have funded integrated service efforts. For example, the Victorian Government provides infrastructure grants for integrated settings in high growth areas that combine services such as preschool education, LDC, maternal and child health, early childhood intervention, and family support services. Some integrated children's services sites also offer a range of complementary services, including playgroups, parenting groups or programs, occasional care, OSHC, and spaces for community use (DET Victoria, 2013). An evaluation framework exists for local government and community organizations involved in establishing integrated sites to use to plan, monitor, and develop their services (DET Victoria, 2010).

Service integration can be effective for engaging vulnerable families in their children's early learning. Throughout Australia, free access to 3-year-old kindergarten is available for the families from designated "at-risk" groups who choose to take part. However, no-cost ECE programs help overcome only one barrier to participation; the financial assistance may be still insufficient to support the ongoing engagement of families with complex needs. To address this, Victoria's Access to Early Learning (AEL) program, which operates in seven targeted sites, provides additional supports to vulnerable families, including child protection, family support services, in-home learning. To be eligible, families must have at least two of the following characteristics: known to Child Protection; intellectual or physical disability; family violence; mental health issues; sexual assault; and alcohol and drug abuse. Data indicate that the program is successful in supporting the engagement and attendance of families, and in supporting children's transition to an ECEC program for the year before school. By sharing practices and research findings, AEL aims to build the capacity of the broader service system to support disadvantaged families (DET Victoria, 2016a).

Moreover, the Australian Government has invested in creating co-located, integrated child and family services in disadvantaged Indigenous communities. The Connected Beginnings program, introduced in July 2016, aims to support the integration of early childhood education, maternal and child health, and family support services with schools in several Indigenous communities experiencing disadvantage, with \$14.44 million (AUD \$20 million) allocated over two years (as evidenced here, short-term funding of initiatives is another issue.) As of March 2017, no details were available on the number and location of funded sites and no evidence was available on the effectiveness of this initiative. However, prior efforts to integrate child and family services for Aboriginal and Torres Strait Islander communities were found to improve access to services for Indigenous women, increase the supply of early childhood workers, and provide integrated and coordinated services that were perceived to be culturally secure (Urbis, 2014). Organizations involved in service delivery for the Connected Beginnings initiative are expected to establish baseline evidence and contribute evaluation data to an assigned evaluator for the project (DET, 2016b).

Evidence of Impact. The National Quality Standard provides evidence of ECEC services' efforts to collaborate with community organizations and other professionals working with children and families. ECEC services perform well in the NQS assessment and rating process in their efforts to collaborate with other organizations and service providers. In 2016, Standard 6.3 was exceeded by 36 percent of services and met by 56 percent. Only 8 percent continue to "work toward" meeting this standard. As noted above (chapter 13), evidence regarding the effectiveness of co-locating integrated services in forging community links is limited.

Integrating/Linking ECEC Provision with Schools

Purposes (Engagement, Indirect Involvement, Service Provision, Advocacy). Links between ECEC services and schools aim to promote continuity for children as they traverse the preschool-to-school chasm. There are two main types of linkages. The first

promotes continuity by providing continuous curricula and offering “transition to school” activities, among them activities that welcome families with very young children into the school. The second type of linkage efforts involves co-locating the preschool within the primary school building. Through this type of co-location, young children may become familiar with the school they will be attending. Further, through shared governance of ECEC settings and schools under the leadership of the local primary school principal, continuity is forged. The latter type of linkage is common in South Australia, Tasmania, and the Australian Capital Territory. In a promising innovation in Western Australia, these links rendered by shared governance have been utilized for the quality monitoring, assessment, and improvement of both ECEC and schools (see chapter 13).

Contemporary efforts to create transitions between ECEC and schools are rooted in historical realities that render important differences between child care and preschool in the amount and nature of the transition efforts. Historically, preschools have had better linkages with schools than child care settings, both for attitudinal and structural reasons. Attitudinally, there is a perception that preschool is inherently more like school than is child care; indeed, preschools have long been recognized as education providers, while child care has been construed as a workforce support that enables parents to participate in the labor force. Despite formal recognition, enshrined in law since 2012, that child care settings do provide educational programs, links between child care settings and schools remain underdeveloped nationally.

Structurally, preschools have been commonly co-located in or near schools. In Western Australia, for instance, preschools are typically associated with a nearby public school and led by the principal. Similarly, in the Northern Territory and Tasmania, almost all preschools are associated with public schools and are located on or near school sites. This, however, is changing. Across Australia, the NQF policy to supply 15 hours of universal preschool to 4-year-olds has shifted the role of the LDCs; to provide enough spaces, preschool programs are being established in LDC settings. This means that now

the LDCs may develop stronger ties to public schools as they respond to policies that support continuous learning for children from ECEC into school.

Formality (Codified into Law/Accepted Practice). There is no national policy to link ECEC and schools. While both the Australian Government and state/territory governments play an important role in setting policy for ECEC, formal education is a state matter, and as such, links between ECEC and schools related to infrastructure, governance, and continuity of learning fall to state and territory governments. Examples of these state-level initiatives, their legal status, and evidence regarding their impact are provided below.

Efforts, Strategies, and Evidence of Impact. Each jurisdiction conducts its own activities to link ECEC and schools. In this section, examples of ECEC-school linkages on the Australian east and west coasts are provided to illustrate the activity taking place related to shared governance, quality improvement, and continuity of learning.

Western Australia (WA) provides a prime example of the ECEC-school links. Here, preschools have long been associated (or co-located) with their local public primary schools, and operated under the leadership of the school principal. This relationship has been utilized for the quality improvement of both the preschool and primary education programs. WA state legislation now empowers the school principals to take responsibility for the assessment of quality in preschools (using the NQS rating system), unlike all other parts of Australia, where the preschools are assessed by Authorized Officers from the State Regulatory Authority. Primary school principals are trained in the use of the assessment tool and are formally charged with leadership of preschool programs on school sites. From 2016 onward, in WA, the NQS has been required in all primary schools from preschool to Year 2. School principals are responsible for completing the quality rating and assessment process, and preschool and school staff members complete a Quality Improvement Plan that reflects on progress and areas for development across all seven quality areas. WA is the only state in Australia that takes

the ECEC system quality review process and applies it through primary Year 2 (7-year-olds).

The implementation of the NQS in WA in schools appears to be a powerful catalyst for change in the relationship between ECEC and schooling, illuminating the sophistication of quality early childhood practice, and generating respect for early childhood practitioners among principals and across the system. Many schools have embraced the NQS, and some have decided to use it across the school from preschool to Year 6 (Bope & Barblett, 2016). Noting the enthusiasm for this change, a respondent said:

Principals take the “every element, every child, every class” mantra very seriously... and (to date) we have managed to avoid the specter of stigma or penalty being linked to saying “our school is working towards one or more quality areas.” This candid self-critique is then used to inform priorities for improvement, and end up in school improvement plans. And schools pay attention to children’s agency...many still struggle with it, but the NQS has forced them to at least learn what it means and to think about it. It has elevated the status and importance of the early years of school—for principals and for our system as a whole; it has prompted Education Assistants to recognize themselves (and be seen by others) as educators, and not merely the teacher's helper. It is beginning to break down the unhelpful division that prevails between LDCs and schools in WA.”

In an effort to promote continuity of learning from the very early years into school, some WA schools also offer playgroup and “KindiLink” programs on their preschool/school sites. These programs welcome Aboriginal 3-year-old children and their families into the school environment, and support family-community connections and parenting practices. KindiLink runs in 37 selected schools, and provides six hours a week of play-and-learn sessions for children with their parents. In addition, the Department of Education oversees 21 Child and Parent Centers on or near public schools across WA to support families in disadvantaged localities as they lay the

foundations for their children's development and learning. These centers include early learning, parenting, and child and maternal health and well-being services for children aged birth to 8, with a focus on the birth-to-4 age range.

To promote continuity of early learning, several jurisdictions have curricula that guide teaching and learning from the early years into school. *Every Chance to Learn*—the curriculum framework for Australian Capital Territory—incorporates preschool to Year 10 (2007), thereby promoting ECEC and school curriculum progression. Similarly, the *Tasmanian Curriculum* (2007) and the Western Australian curriculum incorporate preschool to Year 10, and the *Victorian Early Years Learning and Development Framework* (2016) is designed for use by all professionals working with children from birth to age 8, broadening the EYLF beyond ECEC use to allow early years primary school teachers to work with this document (see also chapter 7). These curricula provide for continuity of teaching and learning for children, though they do not necessarily lead to practical linkages between educators in ECEC settings and those in schools.

Another strategy to promote continuity for children is the development of transition statements. Used in New South Wales, Queensland, and Victoria, transition statements summarize each child's strengths, interests, and learning in line with the EYLF. The transition statements are passed on to the receiving schools; in some cases the provision of these statements is a condition of funding. An evaluation of the effectiveness of Transition Statements in New South Wales in linking ECEC-school programs and creating continuity of curriculum-pedagogy was published in 2015 (NSW CESE, 2015), finding improved communication between ECEC services, families, and schools; high awareness and uptake of the statements; and better support for children's transition to school. The evaluation found that around 90 percent of the school educators who received statements reported that their school used them to support the learning and additional needs of children and to get to know the child and family. Around half these school educators used the statement for classroom grouping and organization, and one in three for curriculum design and delivery (NSW CESE, 2015).

Extended Transition to School programs, operating in NSW, promote external partnerships with parents, businesses, and communities to support access to extended services in locations where early years of school attendance is poor (NSW DET, 2011). The programs include playgroups for children starting school in the following year, and can be offered to children from birth to age 8. However, no evidence is available on the impact of these programs.

Contributions to Sustainability and Challenges

Across jurisdictions, families, communities, and schools interact in a variety of ways to assure the sustainability of local ECEC programs, yet fundamental fissures in the system compromise its long-term effective functioning. That is, funding patterns for education, care, schooling, and allied services remain distinct, working against successful links and integration of child and family services (see chapter 12).

Furthermore, limited avenues exist for families and communities to participate in the design of system-level policy or provide feedback on its functioning beyond their role as consumers. Market failures further limit families' influence on service access and quality.

Victoria's *Roadmap for Reform: Strong Families, Safe Children* (DHHS Victoria, n.d.) is a government strategy that aims to overcome some of these challenges. It traverses the government administrations of health, education, human services, and transport, and is focused on bringing early childhood, child protection, and health together within a larger population approach, to ensure well-being and address the impact of family violence on children and young people. The *Roadmap* articulates actions that promote supportive and culturally strong communities; improve access to universal services; enable children, young people, and families in need to access targeted early interventions and integrated wraparound supports; and strengthen home-based care to improve outcomes for children in out-of-home care.

Nevertheless, challenges persist in efforts to integrate services. While service integration in Australia is prominent in policy rhetoric surrounding ECEC, child health, and child protection services, limited evidence exists about how effectively integrated services meet their primary objectives to provide cohesive, comprehensive, and sustainable services that ameliorate disadvantage and respond to local community needs.

Summary: Key Themes for Consideration

There is an acknowledgement in Australia that parents and families are their children's first teachers, and there are ample opportunities for families to make important decisions for their children. Having noted the importance of choice, there remains a dearth of organized family advocacy to impact the overall ECEC system; promisingly, the ParentHood advocacy organization shows may drive the redefinition of more active family roles in ECEC.

Australia faces huge challenges in providing ECEC, health, and education services in rural and (especially) remote areas that are sparsely inhabited. Specialized funding strategies are required in areas such as these, where huge costs of provision render market approaches unfeasible. In addition, despite some financial support and guidance from state or federal governments, there is limited evidence of the effectiveness of integration efforts. Further exploration of the barriers these initiatives face, as well as of their successes, could assist broader systemic strategies for serving vulnerable populations.

Chapter 14: Research, Demonstration, and Evaluation

This chapter addresses the ways in which research, pilot programs, and evaluations are used to help sustain ECEC efforts. The chapter distinguishes between research, pilot/demonstration, and evaluation, and seeks to report on the effects of these major efforts as a means of promoting sustainable services.

Key Points

- ECEC empirical research is predominantly funded through national competitive grants from the Australian Research Council (ARC) and National Health and Medical Research Council (NHMRC).
- ECEC research is generally said to be a small part of educational, health, and medical research, although no data are available on the percentage of ECEC studies in each sector.
- Education-funded (ARC) research is typically focused on children's learning, curriculum and pedagogy, child exposure to programs, and child learning outcomes.
- Health-funded (NHMRC) research typically focuses on children's development and the social determinants of health.
- Relative to health, educational research expenditure is significantly lower. Educational research funding in 2013–14 represented around 0.5 percent of government education expenditure, compared with health research funding which represented 5 percent of government health expenditure.
- In its child care and early learning inquiry, the Productivity Commission was critical of Australia predominantly looking to international evidence, and encouraged Australia to do more of its own trials and country- or jurisdiction-level studies.
- There are some gaps in the ECEC system data, particularly at the child outcomes level, and there are limitations on the availability and use of the ECEC

administrative and/or systems data held in federal, state, and territory government departments and agencies.

The Nature of the Australian ECEC Research Enterprise

At the outset, it is important to understand that there is no research and development agency that (i) strategically proposes empirical investigations of value to ECEC policy decision-making and (ii) serves as a clearinghouse for disseminating findings that are publicly accessible. This results in heavy reliance on research from other countries and a research enterprise that is quite mixed and diverse, with much research work being outsourced. The following sections describe different kinds of research efforts and how they have come to fruition.

Policy Development and Commissioned Implementation Research to Guide the System.

Australian policymakers at both Australian Government and state levels draw on research evidence from across the world when developing new policy for the ECEC system. Some research review work is completed by officers within departments of government at the beginning of policy development, but these entities mainly source research evidence through commissioned projects under a public tender process. The Australian and state/territory governments each commission research (including sector reviews, empirical studies, and evaluation studies) that is relevant to their programs of work. They also join university researchers as partners in ARC/NHMRC grant applications for the funding of studies of common interest. The value premise underpinning this research is that of ensuring evidence-informed policy decision-making through adherence to the COAG best practice regulation guidelines (COAG, 2007).

University researchers, established research centers, the Australian Council for Educational Research, and private agencies (e.g., PwC, ACI-Allen, Deloitte Access Economics) are the suppliers of government-commissioned research. Three recent

examples of commissioned research illustrate ways in which research and review guided Australia's NQF implementation:

- ***Regulatory Impact Statements (RIS)***: In 2014 the Education Council commissioned Deloitte Access Economics to undertake “projected impact” research to guide ECEC policy decision-making regarding a smooth implementation of the NQF, and its fidelity to the intent of the policy (Deloitte Access Economics, 2014). A two-step process produced ECEC system impact statements as the research output. Both the “Consultation RIS” and the subsequent “Decision RIS” are typical examples of government-commissioned policy-related research. Broad in scope, the Consultation RIS on the NQF (Education Council, 2014a) addressed the pertinent policy problems being addressed, the government actions needed, the policy options being considered, the optimal policy option, and how it would be implemented and evaluated. The Decision RIS (e.g., Education Council, 2017) synthesized the views (on the early functioning of the NQF) of the constituents who were consulted during the Consultation RIS, explained the rationale for the preferred change options, and provided cost details for implementation so that ministers could set policy changes into action. In February 2017, the Education Council agreed to the changes proposed by the Decision RIS, including some changes to law and regulations (ACECQA, 2017c). These changes (to the ECEC Law Act 2010) are being processed for passage through the Victorian Parliament—representing the first step for all governments to ratify the legislative changes in their own parliaments.
- ***ECEC Workforce Review***: This review was completed to assess progress by the ECEC sector in meeting new staff qualifications regulatory requirements under the NQF, and to determine areas for further attention or support (PwC, 2014a). This report was accepted for release, confirming “on-track” implementation and sector support for the raised qualification requirements at a time when there was

some lobbying and media coverage calling for a reduction in these NQF structural quality requirements.

- ***Review of the National Partnership Agreement on Universal Access:*** This review, on the universal access provision of 15 hours of preschool for all 4-year-olds, was released in 2014. It assessed the degree to which the contractual outcomes between the Australian Government and states/territories were achieved, the efficiency and effectiveness of delivery models, the appropriateness of funding allocations, and ongoing maintenance costs, among other details (Education Council, 2014b). The review found that 98 percent of the children were accessing the program, with jurisdictional characteristics influencing the level of achievement. Funding for this program, however, remains contested between the Australian Government and the state and territory governments.

Independent, Empirical Research Funded by Research Councils. Academic researchers contribute to the ECEC system not only through commissioned work (as noted above) but also through independently designed research. ECEC researchers primarily obtain funding from the Australian Research Council (ARC) and/or the National Health and Medical Research Council (NHMRC). The fund for health research is much larger than that for education research, both in absolute terms and relative to the combined expenditure of the Australian Government and the states and territories. In 2013–14, education research spending was under \$361 million (AUD \$0.5 billion) and represented around 0.5 percent of government education expenditures, with ECEC research making up a very small part of this effort. Meanwhile, health research spending was over \$3.61 billion (AUD \$5.0 billion) in 2013–14 and represented approximately 5 percent of government health expenditure (Productivity Commission, 2016b).

An example of this process is a government-commissioned mapping of contemporary research on early childhood development as it pertains to government policies (Harrison et al., 2011). The study focused on two themes: “gathering, researching, and

analyzing policy-relevant evidence” and “effectively communicating with parents and children.” The report mainly cited pertinent evidence from overseas studies, and noted the fragmentation and small scale of most Australian early childhood educational research, limiting its capacity to contribute cumulative, system-focused evidence to assist policy decision-making. The outcome of this mapping exercise was a recommendation to establish a national ECEC research framework to guide the conduct of programs of research, and address specific research gaps related to studies of ECEC practice, vulnerable families, the ECEC market, and workforce dynamics. However, no research framework was formalized or further developed. ECEC academic researchers continue to seek funding for their own research designs, working in small teams or as sole researchers.

More recently, following a review of Australian participants’ perspective on the early childhood development research system, the Australian Futures Project (McKenzie, 2015) resolved that the early childhood development system (ECEC and child health) focus on actions to achieve a “system-shift,” with better coordination and outcomes. The actions pertain to all stakeholders in the research process: service providers; policymakers; researchers; peak bodies; philanthropists; communities; parents, families, and carers; and taxpayers and society at large.

Overall, in Australia, empirical research activity is led by universities, some of which collaborate to address ECEC questions that may be of national significance. The studies cover topics such as young children’s learning, supports for vulnerable communities, and collaboration with different professional groups to address issues related to leadership, pedagogy, and curriculum. However, the two major agencies for funding empirical research (the ARC and NHMRC) have priorities that reflect current Australian Government interests (e.g., the ARC has priorities in innovation, science and STEM to assist productivity and business development). There are few research codes and categories for ECEC researchers to choose when categorizing submissions for funding, especially since the Review of Research Policy and Funding Arrangements

(Australian Government, 2015), which the Australian Government responded to by advancing its National Innovation and Science Agenda (Australian Government, 2016).

Government Administrative Data Collections. The governments each collect administrative data on ECEC, as noted in chapter 8, above. There are both historical traditions of collecting certain types of information on ECEC provision and a value premise that collection and collation of systemic data ensures transparency and accountability to the public on system performance. The use of ECEC administrative data for further analysis remains limited.

There are also gaps in the administrative evidence collections pertaining to the ECEC system. For example, young children's early learning outcomes are mandated by the EYLF, yet evidence of the extent to which children achieve these outcomes in the years prior to school is not collected through NQF monitoring endeavors or at the jurisdiction level by departmental administrative data systems. No funding has been allocated to monitor the outcomes of ECEC programs regarding children's capabilities in the five areas prescribed by the EYLF. This may be partly because of ongoing debate about the probity of collecting individual child performance data in the prior-to-school years and the lack of a technical platform that has child-level identifiers. Furthermore, the Australian Early Development population census is used as a default outcome indicator for ECEC; the Australian Early Development Census (AEDC) comprises population evidence available on children's development, collected on a triennial basis during the first school year.

Research on Child and Family Well-Being. There are some research and reporting initiatives that generate data regarding the overall well-being of children and families in the country. Some of these are national and some are state-level; an example of each is provided below.

Children's Headline Indicators: The Australian Institute of Health and Welfare collects 19 national indicators in the domains of health, early learning and care, and family and community. Funded and led by the Australian Government Department of Health, the indicators are designed to focus policy attention on: (i) identified priority areas for children aged 0–12 and (ii) diverse groups of children (e.g., Indigenous children, children living in remote areas). The two indicators pertinent to early learning and care are Indicator 9 (Early childhood education—participation in preschool in the year before school [age 4–5]) and Indicator 10 (Transition to primary school—as measured by percentage of children developmentally vulnerable on one or more domains of the Australian Early Development Census undertaken at the beginning of school [age 5–6]). Despite the fact that attendance data are used for Indicator 9 above, and population-level data from the AEDC are used for child well-being at the point of transition to school, these data reflect the narrow scope of evidence currently collected across Australia on young children in the years prior to school.

State of Victoria's Children: The Victorian Government (among other states) reports annually on the state of children living in the jurisdiction (DET Victoria, 2016b) in three domains: lifelong learning and success, safe and healthy children, and strong families and confident parents. This evidence is used by the government to plan ECEC provision initiatives, set priorities for funding, and connect reform effort across government departments. The report informs the *Victorian Roadmap for Reform* (DHHS Victoria, n.d.) (noted above in chapter 13) and the Education State Early Childhood Development Reform Plan, which is made available for public use (Capire Consulting Group, 2016). Interestingly, each year, the report selects major themes, with a recent report, for example, highlighting "...tipping the scales for children's positive development—contrast[ing] protective factors and risk factors in the lives of children and young people" (DET Victoria, 2016b, p. 4), underscoring a "strength-based" approach being promoted across programs.

Research Concerns. As noted at the outset of this chapter, there is no single department that oversees research related to children and families in Australia, nor is there a guiding national research framework. Furthermore, the budget for research is not sufficiently robust to carry out the number and nature of studies to guide practice and policy optimally. This contradicts an important OECD study (2006) that calls for the development of research frameworks and sustained investments to support the burgeoning of ECEC services globally.

As potent as these structural limitations are, there are other challenges that characterize ECEC research in the country, notably an overreliance on sociocultural and postmodern research designs and modes of inquiry. Further, the lack of Australia-developed and Australia-sensitive tools and research instruments has been noted. With regard to the research paradigms that frame most ECEC research in Australia, many studies, when adopting sociocultural and postmodern designs, use techniques that are not suitable for scaling up major programmatic efforts. For example, the use of small-scale studies that rely on participant observation or that examine spaces and environments, however helpful and insightful, are not amenable to the need for greater attention to system-level issues and analyses and that rely on randomized controlled trials. Not only characteristic of ECEC, this lack was noted in the national inquiry into the education evidence base (Productivity Commission, 2016a, 2016b). These designs are less common in education than in health, yet education is the single largest intervention children are exposed to outside their families.

Beyond issues of the framing of research, Australia lacks Australian-based tools and measures that can accurately capture the status of children in the country. There are not valid and reliable Australian research instruments and tools that can be used in the range of ECEC settings that comprise an ECEC provision system. Almost all standardized research instruments are drawn from the United States or the United Kingdom, with only a few having norms for an Australian cohort. Complicated in and of itself, the challenges of inadequately tailored measures are compounded when one

considers the complex dynamics of early childhood environment, combined with the diversity of contexts and populations within the country.

Pilot (Demonstration) Efforts

Demonstration pilots and efforts to assess their efficacy exist across and within jurisdictions in Australia, with no central mechanism for collating these. These are often short-term initiatives that trial or implement ECEC programs in a diverse range of urban, regional, and remote communities; one example is the Australian Government's two-year Connected Beginnings program (noted in chapter 13). More rigorous trials of education interventions and program evaluations related to children's health, development, learning, and well-being have been promoted (Productivity Commission, 2014a, 2016b) as a necessary focus for governments pursuing evidence-based policymaking.

Program Evaluations

Generally, program evaluation in Australia is not separated from research. Consequently, ECEC evaluations are mainly commissioned by government departments and agencies to evaluate the implementation process (and sometimes the effects) of programs that are funded or subsidized by government. Government and nongovernment agency tenders specify the criteria for an evaluation. Depending on the stage when such studies are commissioned, criteria may focus on pre-implementation matters, implementation processes, or program effects. Pre-implementation matters include modeling the impact and projected costs of a new policy (e.g., see, Education Council 2014a). Implementation process matters address learning that takes place during implementations, including decisions by those charged with rolling out programs in diverse locations across a local area, state, or the country (e.g., Education Council, 2014b), and policy or program effects projects typically gauge the effectiveness or impact of a program that has been rolled out (e.g., PwC, 2014b). A system-level evaluation of the NQF was also described in chapter 14.

Innovations, Contributions to Sustainability, and Challenges

Innovation: A National Education Evidence Base

There is a growing demand for more data throughout the country. Of keen interest are data on children's learning and on matters of policy interest. With regard to the former, there is a push to understand how children are performing so as to increase the capacity of educators and teachers to design effective programs and to intervene when young preschool children and school students are not progressing well. Based on a growth model of learning (Hattie, 2016), if young children and students are not achieving one year of growth in achievement for one year of education, teachers, and schools are urged to change programs and practices (see for example, Cordell, 2016). Beyond child-specific data, there is a call for information on ECEC programs overall. For example, there is need for information on the optimal time spent in ECEC programs by children of different ages before school; threshold levels of quality necessary to achieve child learning and development gains that can be directly attributable to the service provision; and effective ways to work in partnership with families to enhance home learning environments and supply timely, relevant early interventions. Data of this sort would also be used to improve practice and policy.

Despite these calls for more data, echoed by numerous commissions, such as the Productivity Commission (2016a, 2016b), research progress has been slow. Propelled by an urgent desire to improve Australia's educational outcomes, the commission's work will give voice to the need for more research.

Summary: Key Themes for Consideration

Australia faces many challenges as it seeks to improve its research capacity and infrastructure. First, there is no agency that oversees, funds, or disseminates research related to young children. Without such a national focus, system-level and large-scale research is limited; rather, smaller or jurisdictionally based studies are more prevalent.

As a result, it is hard to generate data to inform national policy. Compounding the situation, there are limited national databases upon which to make major policy decisions, although the need for both larger scale research and national databases has been acknowledged. A related issue is that there is not a “go-to” place for data in the country. There are few searchable sites that collate evaluations that have been commissioned by government and/or nongovernment agencies, and therefore there is no easy access to the results of evaluations for interested parties beyond the specific project stakeholders.

An additional challenge for Australian ECEC provision is achieving system-relevant research that is both relevant to the national ECEC landscape while capturing the unique features and history of programs in a vast Australian landscape. While there is a plethora of small-scale studies, conducted by well-respected and well-qualified Australian researchers, there is need for more systemic orientations in the research produced. Australia’s diverse topography and population make this challenging in all fields, but particularly in ECEC, where there is some resistance to collecting data on very young children generally, and on those who may be deemed marginalized in particular.

Finally, given that the sustainability of a robust ECEC system depends on the capacity of all stakeholders to use data and evidence to improve systemic practices, revise policies, and change programs, sufficient funding is essential so that the research enterprise can produce the data that will be needed. Research should be robustly funded and emanate from diverse fields including economics, child development, and education.

The Early Advantage



Part 7 Country Analysis

Chapter 15: What's Effective (or Not) and Why?

This chapter provides an analytic synthesis of the effectiveness of Australia's ECEC efforts, predicated on the data reviewed and collected. System effectiveness is considered regarding quality, equity, efficiency, and sustainability. The chapter is structured under seven considerations—points that arose as a result of the analysis of the documented evidence about the structure, focus and performance of the Australian ECEC system, and the insights and commentary from key respondents who are actively engaged (at different levels and in different ways) within and across the Australian ECEC system.

Key Points

- Australia has made stunning progress in ECEC in the last decade with the establishment of a durable, national system for regulating and monitoring ECEC services' quality through the National Quality Framework.
- ECEC subsidies have evolved to support a market approach to expanding provision in order to meet demand for child care. However, the market approach fails to adequately promote quality, equity, and sustainability.
- System implementation challenges across the vast Australian geography continue. Equity of access to ECEC across vast geography and diverse populations requires greater policy attention and innovative solutions.
- A divide between “education” and “care” persists in the service system. Despite policy consolidation of these two strands in 2009, the division remains entrenched in provision planning and organization, funding formulae, and the wages and industrial conditions of staff.
- Parents are central to the Australian ECEC system design, and should have a stronger presence in policy-making.
- Qualifications have been upgraded across the sector, but workforce issues related to educator capability, training quality, and access to professional development warrant further policy attention.

- Australia has made some progress toward greater collection and use of data in system monitoring and planning, but further development of data systems is warranted.

Consideration 1. Australia has a durable National Quality Framework, but quality challenges remain.

Australia has made stunning progress in ECEC in the last decade in the establishment of a durable, national system for regulating and monitoring ECEC services' quality: the NQF. Its durability lies in the joint development and ownership of the framework among the states, territories, and the Australian Government; its instantiation in law in each of the states and territories; and its independent oversight by ACECQA. As testament to this, the NQF has survived numerous changes of government in all eight jurisdictions. It represents a collective commitment to nationally consistent, comprehensive quality assurance, higher standards, and continuous improvement.

In establishing nationally consistent quality standards for ECEC provision, the NQF created a more efficient regulatory system. Prior to the NQF, licensing and quality assurance arrangements for ECEC services were fragmented and complex. Some services were not required to meet quality standards at all, while others were regulated by both national and state or territory agencies, whose requirements were often overlapping or duplicative. Furthermore, services were subject to different standards depending on the jurisdictions in which they operated, which meant that the quality of care for children also varied by state/territory. The lines of regulatory demarcation were not clearly established, and consequently, the regulatory compliance burden for ECEC services was higher prior to the NQF. One of the NQF's greatest successes has been to reduce these burdens and inequalities by bringing licensing, quality assessment, and improvement under a single regulatory model.

The NQF represents a significant, successful sector-wide effort to lift basic quality standards in ECEC services. The standards shine a light on both structural and process

aspects of quality, and providers are accountable for meeting quality standards under both these areas. The evidence confirms that the quality of Australian ECEC provision at large has improved under the NQF (ACECQA, 2016, 2017b). In the NQF assessment and ratings process, over 60 percent of services improve on their rating when assessed a second time, with the structural dimensions of ECEC quality (e.g., staff-child ratios, qualifications requirements) showing particular improvement. Services also perform well in ratings of their engagement with families and communities. The data also indicate, however, that aspects of process quality remain the greatest challenge for ECEC services in quality ratings. Specifically, more than 50 percent of services do not meet the standard when it comes to learning-focused interactions with children, and assessment for advancing each child's learning and development (ACECQA, 2016, 2017b). Improvement in these areas is critical for the children to fully benefit from ECEC, and requires concerted effort to overcome a range of issues, including workforce training and employment conditions (see Consideration 6).

Consideration 2. ECEC subsidies support a market approach to expanding ECEC provision and improving efficiency, but fail to promote quality, equity, and sustainability.

The market orientation that characterizes the majority of ECEC funding policy has generated considerable debate. Australian Government demand-side subsidies allow families to choose from a range of service types in a mixed market of profit-driven, community-managed, nonprofit, and government-owned-and-operated services. For the most part, this approach has stimulated growth in the supply of child care places to meet demand, particularly in the increasingly large and concentrated private provider market, with a substantial for-profit presence. Allowing market forces to shape ECEC provision, however, has produced numerous unintended outcomes. These include the escalation of ECEC fees above Consumer Price Index growth and concurrently, the maintenance of relatively low wages for ECEC staff; market failure in the provision of services in areas deemed unviable from a business perspective; and issues regarding

capital development and rentals of property in a booming real estate market, among other aspects. Nonetheless, the Australian Government continues to pursue the development of the market through child care subsidy reform that favors working families, and aims to make provision more flexible, affordable, and accessible.

Perhaps most notable among its failures, the market model is ill-suited to advancing equity for children and families. First, fees place constraints on parents' choices; unlike primary school, early childhood services normally carry a fee, which may be at the limit of affordability for some parents. Second, market strategies assume that an array of services exist from which to make choices, which may not always be the case. Third, market strategies raise challenges regarding the engagement of marginalized populations whose cultural backgrounds or program preferences (e.g., hours of operation, programmatic offerings) may not match operators' profit motives or preferences, thus serving to further disengage marginalized groups. Finally, market strategies do not provide for robust, durable, and differentiated funding, which is essential for sustaining ECEC services in Indigenous and remote communities (see Consideration 3). A manifestation of these limitations is evident in the ECEC subsidy reform policy that uses a workforce orientation to provide subsidies predicated on employment; subsidies are significantly reduced when no parents are employed. Imposing this form of policy in contexts where employment opportunities are limited will constrain access for many children whose families are disengaged from the workforce. In short, the need to produce more equitably available services is not likely to be addressed by market strategies alone. Governments, therefore, have a clear role to play in ensuring equity of access for all children and families, and should be ultimately accountable for ensuring that ECEC services are meeting the needs of the community in relation to quality and access.

Consideration 3. Equity of access to ECEC across geography and populations requires greater policy attention and solutions.

The provision of equitable access to quality ECEC across diverse geographic areas and populations remains the greatest challenge facing the Australian system. The difficulties in providing equity of access include achieving the active participation and involvement of marginalized and disadvantaged (e.g., economically, socially, culturally, and/or geographically) families; establishing robust differentiated funding that is sensitive to local needs; and supplying preferred programs and hours of operation in a systemic context that prioritizes both workforce participation and child development.

Access to ECEC has improved in recent years through efforts such as the 2008 National Partnership on Early Childhood Education (last renewed in 2016). Under the National Partnership, the Australian Government contributed \$3.2 billion to states and territories to expand access to preschool programs in the year before school. Prior to the investment, fewer than 30 percent of children participated in preschool in some states. Now participation is almost universal, and enrollment rates for Indigenous children in preschool have improved, from 65 percent in 2012 to 75 percent in 2014. However, Indigenous children, children with disabilities or developmental delay, children in remote areas, and children from culturally and linguistically diverse backgrounds remain chronically underrepresented in preschool programs. Moreover, policy attention is only beginning to turn to expanding access for younger children to quality ECEC, taught by a qualified teacher. Clearly, there is more to be done to make access to quality ECEC equitable.

The vast size and sparse population distribution across Australia present major barriers to delivering high-quality child and family services. Population downturns in small towns in rural Australia are putting further pressure on the viability of existing services. Furthermore, the declining population in rural and remote areas is accompanied by higher-than-average levels of unemployment, poverty, and disadvantage. This places

additional pressure on educational and social services in a context where distance and high delivery costs already make access and participation difficult. There is a paucity of support systems for isolated parents with young children, and for the ECEC staff and the services operating in remote areas. Inequities in the distribution of quality in ECEC services are also delineated by location. Under the NQS, services in remote areas perform poorly compared with those in major cities and regional towns. In addition, areas with lower socioeconomic status typically have fewer services, and these are rated at lower quality under the NQS. These conditions demand tailored funding and policy responses to ensure equity of access to quality ECEC and health services.

Supply-side funding is used to ignite and sustain services in parts of the country where they would otherwise be sparse. Supply-side subsidies have been used to support child care providers as they develop property, secure equipment, procure training for staff, and operate programs. These alternative funding mechanisms, particularly “budget-based funding” (BBF), are particularly important in supporting Indigenous communities, where the factors of supply and demand associated with delivering services that engage and support Indigenous children and families are complex, and differ from those for non-Indigenous children. ECEC programs for Indigenous children are successful when they enhance community self-determination, cultural ownership, and respect (SNAICC, 2012). Funding needs to be reliable, sustain services when enrollments are low, and account for the additional challenges of securing educators with appropriate cultural and child learning and development skills, who are willing to work in “hard-to-staff” locations that are often rural and remote. Despite this, the current policy direction of the Australian Government is to encourage BBF services to move to demand-side subsidies. This approach may have advantages, as it will fold BBF services into the NQF, signifying a greater commitment to raising the quality of these programs. There is stakeholder concern, however, that a demand-side approach is unsustainable given the unique challenges that services in rural, remote, and Indigenous communities face. Moreover, the model will reduce or withdraw subsidies

for families who do not meet work/activity tests, limiting access for many children. As such, changes to supply-side funding for BBF services reveal tensions in the balance between efficiency on the one hand, and acceptable levels of equity and access on the other.

Consideration 4. The divide between education and care services remains evident in service delivery and quality.

While there is consensus across governments regarding the simultaneous objectives of ECEC to promote families' participation in the workforce, to facilitate child development, and to promote access for vulnerable children, governments have prioritized these objectives differently. Specifically, the Australian Government has prioritized ECEC primarily as a strategy to promote parents' workforce participation, notably through long hours of care, in its funding for child care. Conversely, state and territory governments have prioritized education, funding preschool programs for children in the year before school, and for some 3-year-olds. This has evoked a schism between education and care in the sector. The NQF has bridged that divide to some extent, by unifying education and care services under the same regulatory and quality assurance standards. Furthermore, more than half of all LDC services now offer a funded preschool program, further blurring structural divisions. However, the education/care divide remains institutionalized in the distribution of responsibilities for policy, governance, and funding between jurisdictions, with ramifications for oversight, planning, wages, and quality.

At the service-level, entrenched disparities exist between child care and preschool services in educator compensation, with implications for quality. On any objective scale, ECEC teacher wages are low and inequitable. In most states and territories, preschool teachers are paid less than their counterparts in primary schools. Compared with preschool teachers, educators in LDC are typically even more poorly compensated, with lower pay, shorter leave, and less generous working conditions. Not surprisingly, staff

turnover in LDC settings tends to be high, putting continuity for children's education and care at risk. Indeed, LDC and FDC settings are rated as lower quality against the NQS than preschools (ACECQA, 2016, 2017b). This stratification of quality is also borne out in comparisons of management types; private, for-profit services are less likely to meet the NQS than state/territory and local government-managed, or nonprofit services. These differences are likely to reflect both staff capability and organizational priorities, and map well onto the wage differentials engendered by the care/education split. This suggests that addressing compensation inequities is an essential step in raising quality.

At the system level, the division of powers of funding, as well as monitoring and regulation, creates inefficiencies in oversight and policy responses. While the Australian Government sets funding policy for child care, state and territory authorities are responsible for licensing and regulating child care services. This segregation of responsibilities can present problems when issues arise at the regulatory level that require a swift response from the funding agency. For example, in 2015, when a state regulatory authority identified widespread FDC fraud, there was a delay in constraining incentives to fraudulent providers, because the power to remove services' eligibility for funding rested with the Australian Government (see chapter 4). Given that there is no clear delineation of roles for state and territory governments and the Australian Government, power- and information-sharing processes across governments remain underdeveloped, making addressing the fraud more difficult.

The absence of integrated funding and administrative functions also creates barriers to planning for a cohesive, integrated system of ECEC and allied services. While initiatives to develop integrated infrastructure exist on a state-by-state basis, they are sporadic, and require communities and providers to navigate the requirements of multiple sectors and funding agencies. An integrated approach to planning could help to overcome these barriers (see chapter 16).

Consideration 5. Parents are central to the Australian ECEC system design, and should have a stronger presence in policy-making.

Parental choice of service is a key tenet of Australia's ECEC system. The diversity of ECEC provision is supported politically as an expression of parental freedom to choose, both on behalf of their children and to meet their own needs. In this role, parents select the provider, location, and other specifics of the ECEC services their child receives. Aiding these decisions, the NQF assessment and ratings system provides information about the quality of services. As discussed above (see Consideration 2), the system of parent choice can work well when parents have the means, the knowledge, and the options to freely select appropriate child care for their children. For families without these advantages, however, exercising choice can be challenging. Given this, parental choice is a poor mechanism for enabling parents to influence service provision and system design.

For a more responsive system, parents should be more central to the policy-making process. ECEC in Australia has lacked an organized parent perspective contributing to state and federal governments, education departments, and the media. Families' important role as children's first educators and partners in their child's educational program is widely recognized in policy rhetoric, including in the NQS. Yet in policy-making and development, the system fundamentally relies on the interest of individual parents to engage with discussion papers, proposed impact statements, and other policy development devices used by governments in policymaking. Professional associations, peak bodies, and service provider groups and associations all are invited to consultation forums, workshops, and program shaping and review sessions, whereas parents of very young children are not represented via formalized (funded) groups or associations, unlike in school education. The recent rise of ParentHood may spell a new phase in parent advocacy in ECEC. A not-for-profit digital campaign organization, ParentHood has emerged in recent years to quickly become Australia's largest collection of parent voices. There is room for expanding the role of such an organization

to inject parent voices into policy-making regarding all objectives of the system. Parents' collective action to ensure that children's rights are voiced and heard would add great value to policy debates.

Consideration 6. Qualifications have been upgraded across the sector, but workforce issues related to educator capability, training quality, and access to professional development warrant policy attention.

Progress in increasing the qualifications and skills of the early childhood workforce has been made in recent years. Recognizing the need for well-qualified staff to achieve the vision of widespread, high quality ECEC, the NQF raised qualification requirements for educators across all services. To accompany these requirements, the NQF also created a new role of "educational leader," requiring that a qualified teacher lead the educational program in every service. Furthermore, the NQS and EYLF set higher expectations for the quality of curriculum and pedagogy. To support the sector to meet these new requirements and expectations, the NQF funded professional development (until 2016) and scholarships or studentships for educators upgrading their qualifications to the new required minimums. Rapidly meeting the higher qualification requirements across the sector was a huge achievement. However, given that the quality of educational program and practice remains a persistent challenge in many ECEC services (see Consideration 1), efforts to date to improve qualifications and training may not be enough to prepare educators with the skills to provide high-quality educational programs.

Efforts have been made to enhance the quality of pre-service preparation, but while Australian universities are considered generally to be of high quality, there is great variability in training provision among the vocational education and training (VET) providers. According to the Productivity Commission (2014a), most vocational training providers have difficulty complying with training standards, and many provide curtailed training courses that do not allow sufficient time for students to develop basic

skills and knowledge. In response, new minimum training standards were implemented in 2015, but recognizing the importance of educator preparation, there is a continuing need for attention to quality in the training system. Such training must have content aligned with the NQF and the EYLF, and must pay special attention to the needs of Indigenous and at-risk populations. It must also focus on the need to balance process and structural quality, and on implementation of intentional teaching within a play-based context.

Further compromising workforce productivity, service providers themselves must now resource the professional learning and development of their staff. A recent inquiry into workforce productivity noted that supporting teachers to undertake professional development accrued benefits to employers—including better staff retention and improved educational quality—and cited these benefits as a strong incentive for employers to invest in their staff (Productivity Commission, 2014a). However, this logic may be incompatible with employers' priorities, particularly where there is a profit motive. When services keep their fees low to remain affordable, and yet need a profitable return on capital investment, savings will generally come from improving business practices and economies of scale on the one hand, and on the other, through lowering investment in staff, in areas such as salaries, training, qualifications, more favorable child-staff ratios (above the minimum standard), and opportunities for professional development. As an example, anecdotal evidence indicates that many ECEC educators are expected to take on professional development activities outside their usual working hours, and are not paid for their time. A lack of employer support for staff development and working conditions, coupled with poor quality pre-service training, could undermine the investments governments are making. In light of this, national discussion regarding the role and function of ECEC professionals in the market-driven context, and the benefits and value of their work to society, must be considered.

Consideration 7. Progress toward greater collection and use of data in system monitoring and planning has been made, but further development of data systems is warranted.

Australia's monitoring activities focus on access and quality. The NQF provides a strong and effective system for monitoring the quality of ECEC provision, and governments report annually on the accessibility of programs for children. The *quality* of individual ECEC services is assessed and rated, and publicly reported to parents, providers, and the broader community, both online and aggregated in ACECQA quarterly reports. It is the key criterion from which service effectiveness is determined. ECEC *accessibility* for families is informed by data on the proportion of services with places available and affordability as represented by out-of-pocket costs for families after subsidies, as reported by states, territories, and the Australian Government in the annual *Report on Government Services* (ROGS). There are no specific benchmarks for these measures. Governments also report on *access* rates for children in the community in ROGS. Equity of access to ECEC for children from identified disadvantaged groups is monitored with respect to the relative representation of the identified group in the general community and the relative proportion of children in ECEC. There are no expected rates of participation.

Participation in preschool is closely monitored, but earlier participation in ECEC is only just emerging as a monitoring focus. Participation rates in preschool (in the year before school) are a further criterion used to monitor the system's effectiveness in providing access to ECEC. The National Agreement on Universal Access to Early Childhood Education (COAG, 2016) drives this monitoring activity by setting an explicit benchmark that 95 percent of 4-year-old children will be enrolled in preschool and attending regularly. There is an emergent interest in the universal participation of 3-year-old children in ECEC, but no national commitment exists for universal access to ECEC for children younger than 4. Consequently, monitoring activities for these age

groups are fragmented; some states/territories track the participation of vulnerable 3-year-olds in preschool, but there is no coordinated national reporting of participation.

The criteria by which a system determines its effectiveness are an important reflection of priorities, but they can also reflect the challenges of measurement and monitoring.

Child development outcomes are not used to monitor ECEC system effectiveness.

Rather, individual child-level assessments inform educators' planning and instruction, but are not reported at the population level. The absence of child outcomes in systemic data collection and monitoring activities reflects the focus on access and affordability, and the still-evolving role of ECEC as a child development service in Australia. It also reflects the challenge of meaningfully and consistently understanding young children's developmental progress across a large population in the years before school, and the contentiousness surrounding developing system-level trajectories of children's progress between the period from birth to age 5. As such, the Australian Early Development Census (AEDC) (see chapters 3 and 8), which covers children in their first year of school as reported by teachers, supplies the only national dataset for tracing trends in child development in populations at the community level that can be used to reflect on the efficacy of service provision in local areas.

Furthermore, researchers could have an expanded role in providing evidence for system design.

A national conversation is underway, exploring a greater role for research in establishing evidence to guide system direction and sustainability. The objective of a national inquiry (recently completed but not publicly available) is to develop recommendations for a national approach to collecting and using data for early childhood education and care and schools to improve Australia's educational outcomes. The inquiry considers what data would be required to provide a comprehensive evidence base to inform policy development, and examines opportunities to better use existing data holdings. The inquiry also explores the role that technology and mobile devices can play in the scope, quality, and timeliness of data collection and reporting.

This will be important for linking research and policy directions more effectively, and providing mechanisms for greater collaboration between researchers and governments.

Chapter 16: Implications and Options

This chapter addresses the implications and options that should be considered to advance the quality, equity, efficiency, and sustainability of ECEC in Australia. Consideration is accorded to the implications for practice, policy, and research.

Implications for Practice

Raising the quality of educational program and practice is critical to making government and family investments in ECEC effective. Moreover, because children's experiences and interactions with educators are the locus for learning, this quality area is essential if children, families, and society are to reap the benefit of investments in ECEC. Yet, evidence from the NQS indicates that Quality Area 1, Educational Program and Practice, is the most challenging to meet. To address this, governments, along with educators and providers have a pivotal role in finding and implementing solutions; they are invited to consider the following recommendations.

Recommendation 1: The Australian Government should commission a review of the EYLF.

The EYLF (and relevant jurisdiction-specific learning frameworks) is the central document that guides educational programs and practices in ECEC. The document, however, is now a decade old and has not been reviewed, yet some jurisdiction-specific learning frameworks were recently reviewed and revised to attend better to issues of diversity. The Australian Government should consider commissioning a comprehensive review and consultation regarding the EYLF, and an evaluation of how well it is understood by educators and translated into practice. Such a review should examine how educators could be better supported to embed the EYLF in their practice and elaborate "intentional teaching" in children's play, a concept which is profiled within the EYLF but remains underdeveloped in educator practice.

Recommendation 2: The Australian Government should prioritize professional development.

Changing practices takes time. Government support and sector efforts to upgrade qualifications and skills have assisted with the implementation of the NQF, and are reflected in improvements across structural aspects of quality and strong collaboration with families and communities. Despite this, educational program and practice quality is still lagging, indicating that it may be premature for governments to withdraw professional learning support for the implementation of the NQF and EYLF. The Australian Government has indicated that professional development for child care services is employers' responsibility, but in a market context, there are weak incentives for employers to invest in their staff, especially in for-profit services.

If professional development continues to be employers' responsibility, stronger incentives are required that encourage employers to invest in their staff. Registration with the state/territory teaching authority—as is the norm for primary school, and now preschool teachers—would be a first step toward monitoring and mandating that educators participate in minimum hours of professional development annually. Professional development should focus on curriculum and pedagogy, and techniques for leading children's learning and development in culturally relevant ways. Governments should take measures to prevent providers from passing on the costs of professional development to parents in fees, or to educators by requiring them to pay attendance fees or participate outside their normal working hours, which would compound the inequitable distribution of quality. To this end, the Australian Government should consider reinstating funding for professional development for the ECEC services it subsidizes.

Recommendation 3: Parent and community advocacy is needed to create a mandate for a renewed government focus on quality.

The NQF has elevated quality as a national priority, spurring major advancements in workforce qualifications and skills, making data on service performance more available, and holding providers more accountable. However, more work is needed to address the determinants of quality. Specifically, poor compensation and conditions for educators in LDC, low status, and concomitant high rates of staff turnover are undermining quality improvement efforts. Addressing these issues is essential to improving ECEC quality, but given the current orientation of Australian Government child care policy on affordability, stakeholders need to work together to generate public support and precipitate a government mandate to prioritize quality and address the fundamental barriers posed by workforce issues.

As such, advocacy organizations and peak bodies, ECEC educators and providers, parents, and researchers should work together to initiate a national discussion that could generate public support for government investment in quality. The discussion could address the benefits and value of quality ECEC for children and for society, a greater role for governments in resolving the barriers to high quality, and the need to adequately fund child care to sustain a well-qualified workforce.

Recommendation 4: Community organizations and researchers should collaborate to establish effective models for integrated services.

Integrated settings that bring together education with other child and family services can play an important role in advancing children's holistic development, and responding to family and community needs and strengths. This is especially important for families with complex challenges, who require assistance from multiple professionals. Integrated services can also play a role in consolidating services for better sustainability where markets fail, such as in rural and remote areas, and in Aboriginal

communities, where community-ownership and culturally appropriate provision are essential to serving children and families.

The development of integrated services is typically managed at the community or local government level, supported by states/territories or the Australian Government. Several initiatives are emerging across Australia to overcome some of the shortfalls of the current system and enable services to operate more integrally to the culture and family functioning of different communities. There is, however, a paucity of evidence on the effectiveness of these initiatives in advancing child and family outcomes in communities.

To scale up the integration of child and family services and community organizations, policymakers need robust research on which models are effective in a range of community and geographic contexts. As governments continue to invest in integrating services locally, they should include requirements for evaluation as a condition of funding, and incentivize collaboration with researchers in evaluation design. Through its federation of states and territories and national approach to the ECEC system, Australia has an excellent opportunity to test a range of implementation models and programs in different jurisdictions and communities. The Australian Government and/or a research agency (see Recommendation 8) should consolidate national evidence regarding service integration, so that communities may select from the tested models that which will best fit their circumstances. Furthermore, such research should inform planning at state and national levels to remove barriers to integration (see Recommendations 5 and 6).

Implications for Policy

Ten years after the COAG took up an agenda to harmonize quality monitoring and raise standards in ECEC, it is time for governments to rearticulate a clear and consistent national vision and strategy that builds on the advances made by the NQF, with the goal of improving system coherence and coordination. Despite the strengths of the NQF

in terms of its shared governance across jurisdictions, and the progress it has made toward an integrated ECEC system, Australia has not made similar major systemic advances in creating structures that connect government funding, planning, and policy responsibilities. At the system level, the division of authority for funding, monitoring and regulation, and planning creates inefficiencies in oversight and policy, and inequities in practice, all of which could be addressed in a new phase of national reform.

Recommendation 5: Australian Governments should commission a joint national systemic finance inquiry.

The recent Productivity Commission funding inquiry undertaken for the Australian Government provided overall recommendations focused on subsidy and market design, but it did not cover the parts of the system managed by state and territory governments and the concomitant inefficiencies brought by the split governance structures. States and territories were engaged in the inquiry as stakeholders, rather than co-funders and regulators of ECEC. This limited the nature of recommendations and directions being pursued. Moreover, the inquiry focused on strategies to develop the market model, despite indications that the market orientation in ECEC funding policy does not foster equity of access and quality.

Given this, Australian Governments should undertake a national systemic inquiry into ECEC finance that prioritizes effective and efficient funding policy to ensure access and equity for young children. The inquiry should consider the following:

- *Enshrining access to ECEC as an entitlement:* The inquiry should examine the costs and benefits associated with providing ECEC access as a basic entitlement for all children under law; such an entitlement should ensure that cost is not a barrier to access, and provide for additional costs through augmented funding.

- *Consolidating funding:* The review should also examine options for consolidating funding strategies in the ECEC sector, as a key step toward overcoming the entrenched child care-education divisions that currently yield inefficiencies and compromise quality and efficiency. Options for a new approach to distributing funding should be based on evidence about the approaches that pay the best dividends for the quality of programs and the distribution of support to those children in greatest need, with consideration afforded to using diverse funding mechanisms, including demand-side, supply-side, and operational subsidies. A new funding formula and distribution process should be established that connects to clearly demarcated responsibilities for planning, monitoring, and system development (see Recommendation 6).
- *Ensuring equity of access:* Governments have a clear role to play in ensuring equity of access for all children and families, and should be ultimately accountable for ensuring that ECEC services are meeting the needs of the community in relation to quality and access. Inequities in the distribution of quality in ECEC services are delineated by location. Governments should strongly consider sustaining supply-side funding for services in Indigenous, rural, and remote areas. Funding policy needs to ensure the sustainability and availability of quality programs, and should underwrite the real costs of quality service provision.

Recommendation 6: Australian Governments should commission a joint inquiry into creating a nationally shared ECEC system governance model for funding, planning, and sector development.

The absence of integrated funding, administrative, and planning functions creates barriers to planning for a cohesive, integrated system of child and family services. Building on the strengths of the NQF governance model, an ECEC planning and strategy framework instantiated in law should provide for shared governance at national, state, and local levels. An independent agency, analogous to ACECQA, would

have an oversight and operational role in mediating the divisions in government responsibilities for funding, planning, and policymaking that currently create inefficiencies and inequities. There is a clear leadership role for the Australian Government in forging this path in partnership with state and territory governments through COAG to achieve more effective coordination across current divides. The inquiry should consider:

- *Aligning policies and objectives* for children and families across ECEC, health, and allied services at national and state levels. In particular, children's interests, and child development, should be pursued as the central objective.
- *Creating mechanisms for sharing information and decision-making power* across governments to allow swift responses to changing circumstances.
- *Taking an integrated approach to planning and service development* at local, state, and national government levels, and removing structural barriers (including funding, policy, and reporting) to the successful integration of diverse child and family services.
- *Establishing a formal role for parents* in system and policy design and feedback, through the mandated inclusion of a parent representative body in consultation processes.

In such a system, responsibilities should be allocated according to the strengths of different government levels. Through its central funding role, the Australian Government is well-placed to undertake system-wide analysis of supply and demand patterns and provide high-level information to providers and families. State, territory, and local governments are positioned to understand local-level market dynamics, and design appropriate local-level interventions. Local governments, which have infrastructure responsibilities, could play a more active role in planning local developments for ECEC services, and data collection and reporting to inform planning and industry management decisions. A national governance model, analogous to that

adopted for the NQF, could provide a platform for redistributing power among these players so that funding sources and administrative responsibilities are better aligned.

Recommendation 7: Governments should commit to universal access to preschool for 3-year-olds as a means of stimulating quality improvement in educational programs.

A national commitment to universal access to quality early childhood education for 3-year-olds is an important step toward expanding children's access to quality ECEC. This commitment would involve expanding funding from both the Australian and state/territory governments, to allow all 3-year-old children to access programs taught by a qualified teacher for a minimum number of hours per week. By extending requirements for a qualified teacher to include 3-year-old programs, the move is likely to drive significant improvements in the quality of education program and practices in LDC. In light of the reliance on market forces to determine planning and provision, lessons from the National Partnership for Universal Access to Early Childhood Education for 4-year-old children should guide policymakers to ensure mechanisms are in place to support the change.

Implications for Research

Recommendation 8: Researchers and governments should agree on a national framework for data collection, use, and research.

To support national approaches to ECEC system development and supply the evidence required to generate national policy, a coordinated approach to research, data collection, and use is required. Presently, governments and the academic research community are collaborating to develop a stable research policy framework. Such a framework should be advanced and should establish priority lines of inquiry that would yield a national education evidence base for improving and sustaining the ECEC system. This case study highlights areas that governments and stakeholders should consider as they move toward more comprehensive research and data systems:

- *Align research with policy questions:* The research policy framework should encourage a new generation of research that tackles policy and practice issues, and contributes cumulative, system-focused evidence to assist in policy decision-making. To this end, large-scale research using research instruments and methodologies that take into account Australia's diverse population, geography, and ECEC services should take priority for research institutions and funding agencies.
- *Ensure robust funding for ECEC research:* Governments should contribute to robust funding for ECEC research that emanates from diverse fields including economics, child development, and education. As a step toward improving funding access, agencies that fund empirical research (including the ARC and NHMRC) should include research codes and categories for ECEC researchers to choose when categorizing submissions for funding.
- *Establish comprehensive and consistent data systems:* The framework should establish national databases regarding child participation, workforce composition, and other policy-relevant variables. Such databases should be accessible to researchers and communities.
- *Establish a national clearinghouse for ECEC research and evaluation:* A clearinghouse should centrally store and disseminate results generated from research and program evaluations commissioned by governments and service providers, to enhance the knowledge base of what works, why, and under what conditions.

Ultimately, realizing this vision for more effective research and data usage to inform policy in Australia could be best achieved through the creation of a new research and development agency that (a) strategically proposes empirical investigations of value to ECEC policy decision-making and (b) serves as a clearinghouse for disseminating findings that are publicly accessible.



**Concluding Note:
Maintaining the
Momentum**

Momentum is important in developing large systems. Australian efforts and progress in ECEC over the past decade must be recognized, but there is much more to be achieved. Maintaining the momentum for change and reform in Australia requires a vision that effectively recognizes the role of ECEC in education and society. This is not apparent at present.

Change is required to create a more unified system for children and families that better aligns incentives for service users and providers with public policy objectives. This undoubtedly demands the concerted action of governments to shape the existing landscape of services into a more coherent system. In particular, the fundamental issues of national ECEC funding and governance remain, and would benefit from the creation of durable institutional structures that span Australian Governments, such as those supporting the NQF. Such reforms are complex, but not unparalleled in Australian social service delivery.

Acting together, governments can use the powerful levers of funding, planning, regulation, and service delivery to move Australia toward a system that genuinely meets the needs of children and families both now and into the future. Such efforts would build on the momentum for young children and families that Australia has demonstrated.

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APPENDIX A. Key Policy and Legal Documents

An outline of National Standards for Out-of-Home Care. (2011).

Available at:

https://www.dss.gov.au/sites/default/files/documents/pac_national_standard.pdf

Belonging, Being & Becoming: The Early Years Learning Framework for Australia. (2009)

Available at: <https://www.education.gov.au/early-years-learning-framework>

Commonwealth of Australia Constitution Act 1900.

Available at: <https://www.legislation.gov.au/Details/C2013Q00005>

Education and Care Services National Law Act 2010

Available at: <http://www.acecqa.gov.au/national-law>

Education and Care Services National Regulations under the Children (Education and Care Services) National Law

Available at: <http://www.legislation.nsw.gov.au/#/view/regulation/2011/653>

Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2016, and the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2016

Available at:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/Jobsfamilies45th

Investing in the Early Years—A National Early Childhood Development Strategy. (2009).

Available at:

http://www.startingblocks.gov.au/media/1104/national_ecd_strategy.pdf

National Framework for Child and Family Health Services: Secondary and Tertiary Services (2015).

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National Framework for Universal Child and Family Health Services. (2011).

Available at:

<http://www.health.gov.au/internet/main/publishing.nsf/content/nat-fram-ucfhs>

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Available at:

http://www.federalfinancialrelations.gov.au/content/npa/health/_archive/indigenous-reform/national-agreement_sept_12.pdf

National Partnership Agreement on the National Quality Agenda 2009.

Available at:

<http://www.federalfinancialrelations.gov.au/content/npa/education.aspx>

National Partnership Agreement on Universal Access to Early Childhood Education 2016–2017 (NPA UA ECE).

Available at:

<http://www.federalfinancialrelations.gov.au/content/npa/education.aspx>

National Quality Standard for Early Childhood Education and Care and School Age Care. (2012)

Available at: <http://acecqa.gov.au/national-quality-framework/the-national-quality-standard>

Protecting Children is Everyone's Business: National Framework for Protecting Australia's Children 2009–2020.

Available at:

https://www.dss.gov.au/sites/default/files/documents/child_protection_framework.pdf

APPENDIX B. Key Respondents - Interviewees

Many leaders within and across the ECEC sector and its related agencies took part in key interviews and discussions pertaining to this review. Their input was highly valuable to both direction and content of the Australian case study report.

Individual Consultations

Name	Position	Organization
Ms Roslyn Baxter	Group Manager, Families Group`	Department of Social Services, Australian Government
Hon Simon Birmingham	Minister for Education and Training	Australian Government
Ms Gwynneth Bridge	President	Australian Child Care Alliance
Ms Jo Briskey	Chief Executive	The ParentHood
Ms Bobbi Campbell^	First Assistant Secretary Indigenous Health Division	Department of Health, Australian Government
Mr Jonathan Coppel	Commissioner	Productivity Commission, Commonwealth Government
Ms Karen Curtis	Chief Executive Officer	Australian Children's Education and Care Quality Authority
Ms Julia Davison	Chief Executive Officer	Goodstart Early Learning
Mr John Firth	Chief Executive Officer	Victorian Curriculum and Assessment Authority
Ms Jayne Johnston	Deputy Chief Executive, Office for Education and Early Childhood	Department for Education and Child Development, South Australia

Name	Position	Organization
Ms Kim Little*	Assistant Deputy Secretary, Early Childhood	Department of Education and Training, Victoria
Rhonda Livingstone	National Education Leader	Australian Children's Education and Care Quality Authority
Ms Leslie Loble	Deputy Secretary, External Affairs & Regulation	Department of Education, New South Wales
Mr Gerry Moore	Chief Executive Officer	Secretariat of National Aboriginal and Islander Child Care
Ms Samantha Page	Chief Executive Officer	Early Childhood Australia
Mr Robert Randall	Chief Executive Officer	Australian Curriculum, Assessment and Reporting Authority
Ms Melanie Saba	Chief Executive Officer	Victorian Institute of Teaching
Ms Gabrielle Sinclair	Deputy Director-General, Early Childhood and Community Engagement	Department of Education and Training, Queensland
Dr Wendy Southern [^]	Deputy Secretary National Program Delivery Group	Department of Health, Commonwealth Government
Ms Anne Stonehouse AM	Early Childhood Consultant	Consultant
Professor Jennifer Sumsion	Foundation Professor Early Childhood Education	Charles Sturt University
Ms Karen Weston*	Executive Director, Quality Assessment & Regulation	Department of Education and Training, Victoria

*[^] combined consultation

Workshop Consultation

A workshop was conducted to test lines of information and key insights that emerged from the evidence base and the consultations, and to explore any gaps or imbalances that may have been issues for the research team conducting the investigation. This workshop allowed for robust discussion, and added invaluable insights for the team.

Name	Position	Organization
Ms Wendy Allan	Early Years Policy Adviser	Municipal Association of Victoria
Adjunct Professor Muriel Bamblett AM	Chief Executive Officer	Victorian Aboriginal Child Care Agency
Professor Sue Grieshaber	Professor Early Years	Monash University
Mr Shane Lucas	Chief Executive Officer	Early Learning Association of Australia
Professor Frank Oberklaid OAM	Foundation Director	Centre for Community Child Health, The Royal Children's Hospital
Ms Karen Weston	Executive Director, Quality Assessment & Regulation	Department of Education and Training, Victoria