

New Directions for Early Childhood Education

**Universal access to
early learning for 4 year olds**



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Executive Summary

Investing in human capital formation delivers significant benefits to individuals, society and the economy. International research demonstrates that earlier investment yields a higher rate of return. Australia's investment in education across the spectrum has been low by international standards, and to compete in the new world economy and guarantee our future prosperity, Australia needs an education revolution.

Federal Labor will begin this education revolution by focusing on where learning begins, in the early years. Under our plan:

- all Australian 4 year olds will have enshrined in a new Commonwealth *Early Childhood Education Act* a universal right to access early play-based learning and development programs delivered by degree-qualified teachers;
- these programs will be funded for 15 hours per week, and delivered across a diversity of early childhood settings – public and private – as Labor is concerned with the quality of the learning, not where it takes place;
- universal access to early learning programs to be achieved five years after passage of the new Act;
- there will be a new Commonwealth investment of \$450 million per year when universal access is achieved;
- fees and charges for parents will not increase as a result of the expansion of learning programs;
- a package of complementary policies designed to boost the early childhood workforce will be implemented;
- an Early Years Learning Framework will be developed;
- early childhood infrastructure will be expanded; and
- priority for early learning will be underlined by transferring responsibility for early childhood into the Commonwealth Department of Education.

Our plan will be developed in partnership with States and Territories, and in consultation with the early childhood education and care sectors.

Early Learning: the Start of an Education Revolution

All Australian children deserve the best start in life. Overwhelming international evidence supports the view that government investment can provide crucial support to parents and communities, helping to ensure that children succeed in life. Investing in the early years of life delivers strong long-term benefits for children, and for the wider community. Investing more in human capital formation and investing it earlier leads to increased educational attainment and labour force participation, with higher levels of productivity. It also helps tackle disadvantage, dependency on welfare, our hospitals and our criminal justice system. Australia will face a new set of economic and social challenges in coming decades, and it will need a workforce with higher productivity and participation. Early childhood learning and care are a major part of meeting this challenge, but to get there, Australia will need an education revolution.

Federal Labor has already released a policy discussion paper: *The Australian economy needs an education revolution. New Directions Paper on the critical link between long term prosperity, productivity growth and human capital investment*. It argues that we cannot take current prosperity for granted. Not only is productivity growth beginning to slow, but resource prices are likely to unwind over the coming years, the ageing of the population will place significant pressure on public finances and reduce workforce participation, and the global marketplace is becoming increasingly competitive as China and India continue their transformation into economic superpowers.

If our children are to enjoy increases in their living standards that are comparable to those we have benefited from in recent years we must meet these challenges. We must do more than just maintain sound macroeconomic policies and open and competitive markets. We must lift Australia's rate of productivity growth. Otherwise, we may simply become China's quarry and Japan's beach.

A substantial and growing body of international research indicates that investment in human capital offers substantial returns to both individuals and the nation as a whole. Across many indicators of educational attainment Australia falls short of both its competitors and its potential. Our failure to invest in our youngest citizens is particularly troubling given strong evidence that such investment yields enormous dividends.

Australia must find new sources of competitive advantage. We believe that investment in human capital is essential for creating an innovative, productive workforce that can adapt to a rapidly changing world.

Australia needs nothing less than a revolution in education – a substantial and sustained increase in the quantity of our investment, and the quality of our education. This is required at every level of education from early childhood to mature age.

Early learning helps build economic prosperity

As economies mature, the importance of human capital as a source of economic growth increases. Services and innovation-based economies are increasingly dependent on smart, productive citizens. Even for traditional industries such as agriculture and mining, human capital is playing a larger role in adding value to economic production.

As economies like Australia face new challenges in the twenty first century, raising human capital will be a critical challenge for policy makers. More intense competitive forces in the Asia-Pacific region will require more internationally competitive businesses and a more productive workforce. An ageing Australia will require strong labour force participation levels among those of working-age. Central to these twin challenges of raising productivity and workforce participation is investing in Australia's human capital through education and training.

The strong relationship between investing in education and training and higher levels of workforce productivity and participation is well established, particularly for formal education in schools, vocational education, and universities. Clear in this evidence is the strong relationship between early learning and development – before formal education begins – and improved economic prosperity.

The economics of early childhood learning is supported by a commonsense logic: education is a life-long endeavour for all Australians. Educational experiences from childhood inform our attitudes and outlook in later years.

Brain research explaining the importance of early learning has expanded in recent years. Leading developmental researcher Jack Shonkoff argues that 'all children are born wired for feelings and ready to learn', and that it is from birth to age five that 'children rapidly develop foundational capabilities on which subsequent development builds'.¹ During this early period of life, brain cell growth and 'wiring' of connections drives 'remarkable linguistic and cognitive gains' and development of 'emotional, social, regulatory and moral capacities'.²

When brain research is combined with economic analysis of the benefits of early childhood education, the case for greater investment in childhood learning becomes overwhelming. Professor James Heckman, Nobel Laureate in Economic Sciences, concludes that learning starts before formal education begins, and sets the foundation for success or failure at school and life beyond.³ Heckman argues that even by school age it may be too late to intervene to influence a child's learning and motivation if bad learning practices habits are already entrenched.

"The real question is how to use the available funds wisely. The best evidence supports the policy prescription: Invest in the very young..."

James Heckman, Nobel Laureate in Economic Sciences⁴

Heckman particularly emphasises the exponential impact of quality learning, that early learning in life means later educational experiences have greater impact: "Childhood is a multistage process where early investments feed into later investments. Skill begets skill; learning begets learning."⁵

As an investment, early childhood learning brings a high rate of return, considerably higher than educational investments in school age children or in people already of working age.

The diagram below, drawn from Heckman's groundbreaking work, conceptualises human capital investments by ages, suggesting that the earlier the intervention the greater the return.⁶

¹ Shonkoff, Jack P. & Philips, Deborah A. (Eds). (2000) *From Neurons to Neighborhoods: The Science of Early Child Development* National Research Council, Institute of Medicine, Washington: National Academy Press, pp. 5-6

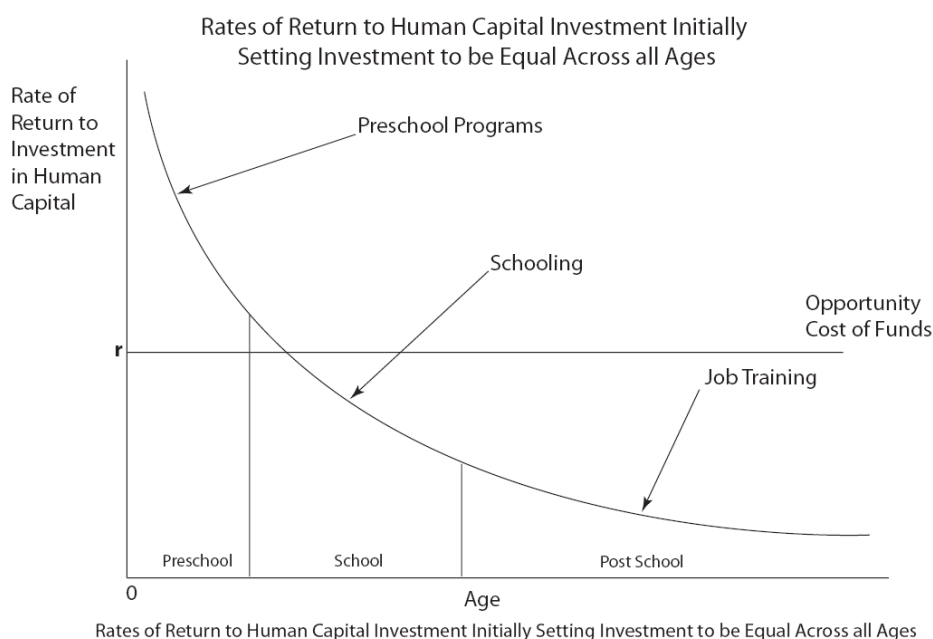
² Ibid p. 6

³ Heckman J. 'Invest in the very young' in: Tremblay RE, Barr RG, Peters RDeV, eds. *Encyclopaedia on Early Childhood Development* [online]. Montreal, Quebec: Centre of Excellence for Early Childhood Development; 2004:1-2. Available at: <http://www.excellence-earlychildhood.ca/documents/HeckmanANG.pdf>.

⁴ James Heckman, *Policies to Foster Human Capital*, University of Chicago Department of Economics, p.8

⁵ Flavio Cunha and James Heckman, *Investing in our young people*, p.67, at <http://www-news.uchicago.edu/releases/06/061115.education.pdf>

⁶ "The dynamic feature of human capital accumulation has implications for how investments in human skills should be distributed over the life cycle. Figure 1A [replicated here] summarizes the major finding of an entire literature. It plots the rate of return to human capital at different stages of the life cycle for a person of given abilities. The horizontal axis represents age, which is a surrogate for the agent's position in the life cycle. The vertical axis represents the rate



Cunha, F, Heckman, J et al, Interpreting the Evidence on Life Cycle Skill Formation, 2005, p101.

Both international and Australian evidence strongly support the thesis that improving educational opportunities for young children is an important first step in having a smarter and more adaptable workforce into the future.⁷ For example:

- The Organisation for Economic Co-operation and Development (OECD) has recognised through its ongoing country-wide assessments that early access to early childhood education and care provides young children with a “good start in life”.⁸ The OECD says early childhood education is a public good because of its effects in reducing educational disadvantage and releasing parents to participate in the workforce.⁹
- The United Nations Educational, Scientific and Cultural Organisation (UNESCO) recently called on countries to expand and improve comprehensive early childhood learning, especially for the most disadvantaged and at-risk children.¹⁰
- The World Bank, in considering the most appropriate time to start investing in our children’s future, concluded “It is never too early to become involved but it can easily be too late.”¹¹
- The Brookings Institution in the United States projects that a high-quality universal preschool policy would boost the size of the US economy by US\$270 billion by 2050 and by over US\$2 trillion by 2080.¹²

of return to investment assuming the same amount of investment is made at each age. This is an out-of-equilibrium productivity curve....’ Cunha, F, et al, *Interpreting the Evidence on Life Cycle Skill Formation*, 2005, p.13.

⁷ For a ‘Minibibliography’ see Diefendorf, Martha and Goode Susan (December 2005) *The Long Term Economic Benefits of High Quality Early Childhood Intervention Programs* National Early Childhood and Technical Assistance Centre, US Office of Special Education Programs.

⁸ OECD 2006 *Starting Strong 2: Early Childhood Education and Care*, p. 12

⁹ *Ibid* pp. 35-38

¹⁰ UNESCO 2006, *Strong Foundations: Early Childhood Care and Education*

¹¹ Young (ed) (2002) *From early child development to human development – investing in our children’s future*, World Bank, Washington DC, p.vii

¹² Dickens, Sawhill and Tebbs (April 2006) *The Effects of Investing in Early Education on Economic Growth Policy Brief #153* The Brookings Institution <http://www.brookings.edu/comm/policybriefs/pb153.htm>

Cost/benefit analysis of high quality early learning is also highly supportive of investment in young children, particularly in disadvantaged communities. Judy Temple and Arthur Reynolds, for example, survey the returns for every dollar invested in three high-quality United States early intervention programs.¹³ They find that the Perry Preschool Project returned \$7.16 in public benefits and \$8.74 in total benefits for every dollar invested. The Abecedarian Project returned \$2.69 in public benefits and \$3.78 in total benefits. And the Chicago Child-Parent Centres produced \$6.87 in public benefits and \$10.15 in total benefit for each dollar invested. While these were high quality early intervention programs, they also demonstrate the strong economic benefits of early learning.¹⁴

Early childhood learning produces benefits for both children and for the entire society and economy. US researchers, Clive Belfield and Patrick McEwan,¹⁵ have developed a 'Template Balance Sheet' for cost/benefit analysis, categorising benefits in the following way:

For child:	For society/economy:
<p><i>Short term:</i></p> <ul style="list-style-type: none"> • Enhanced academic achievement • Improved health/nutrition • Increased wellbeing/less abuse <p><i>Long term:</i></p> <ul style="list-style-type: none"> • Higher likelihood of graduation/college enrolment • Higher wages/employment probability • Lower teen-pregnancy/delinquency 	<p><i>Short term:</i></p> <ul style="list-style-type: none"> • Income tax revenue from parents' released time <p><i>Medium term:</i></p> <ul style="list-style-type: none"> • Greater school system efficiency: <ul style="list-style-type: none"> ○ reduction in special education ○ reduction in grade repetition ○ higher student learning productivity ○ reduced pressure on school resources • Reduction in abuse/neglect • Lower reliance on public healthcare <p><i>Long term:</i></p> <ul style="list-style-type: none"> • Increased income tax revenues • Lower welfare dependence • Reduction in delinquency/crime (higher educational subsidies)

Both 'brain research' and economic analysis of early childhood learning are less developed in Australia, in part because of Australia's lower participation and investment in this key sector of education.¹⁶ However, surveys of Australian research also point to the academic and social benefits of early childhood learning.¹⁷ This view has also been recently supported by the Treasury Secretary, Ken Henry, and the Secretary of the Department of Employment and Workplace Relations, Peter Boxall, who agree that improving education opportunities for young children is effective public spending on education.¹⁸

¹³ Temple and Reynolds (November 2006) *Benefits and costs of investments in preschool education: Evidence from the Child-Parent Centers and Related Programs*, Economics of Education Review 26 (2007) 126-144

¹⁴ Galinsky, Ellen (February 2006) *The Economic Benefits of High-Quality Early Childhood Programs: What Makes the Difference?* Prepared by Families and Work Institute for the Committee for Economic Development, Washington DC, p.26

¹⁵ Belfield, CR with PJ McEwan. 2004. *An Economic Analysis of Investments in Early Childhood Education in Massachusetts*. Research paper, Strategies for Children

¹⁶ A recent report recommends that early intervention programs in Australia be accompanied by cost-benefit evaluation – see Wise, da Silva, Webster and Sanson (2005) *The Efficacy of Early Childhood Interventions A report prepared for the Australian Government Department of Family and Community Services, Australian Institute of Family Studies, Melbourne*, p. 51

¹⁷ See, for example, Elliot, Alison (2006) *Early Childhood Education: Pathways to quality and equity for all children* Australian Council for Education Research, Victoria

¹⁸ Australian Financial Review, 22 November 2006.

Australia needs an education revolution

Despite the growing consensus on the economic importance of greater investment in early childhood education, Australia's performance in this area remains weak by international standards. The rate of investment and participation in this stage of education is low. While there are many excellent examples of high quality, positive early learning programs being delivered in Australia, nationally our current early childhood structures and institutions are uncoordinated and unevenly distributed. If Australia is to reap the benefits of the opportunities offered by early learning, an education revolution is needed.

The low level of participation in early childhood education for under-5 year olds is primarily explained by Australia's very low level of investment in early childhood learning. According to the OECD, Australia spends just 0.1 per cent of GDP on pre-school education, compared with an OECD average of 0.5 per cent.¹⁹ While there are difficulties in making cross-country comparisons because of differences in the services provided for young children, it is clear that Australia is behind in its investment in early childhood learning.

This is consistent with Australia's overall lower investment in education compared with other countries – at 5.8 per cent of GDP, Australia's education investment is behind 17 other OECD economies – even within Australia's education budget, early childhood education is a low priority.²⁰ According to UNESCO, only 2 per cent of public investment in education in Australia goes into pre-primary education.²¹ In other words, pre-primary school education receives just \$1 for every \$50 invested in education by government in Australia.

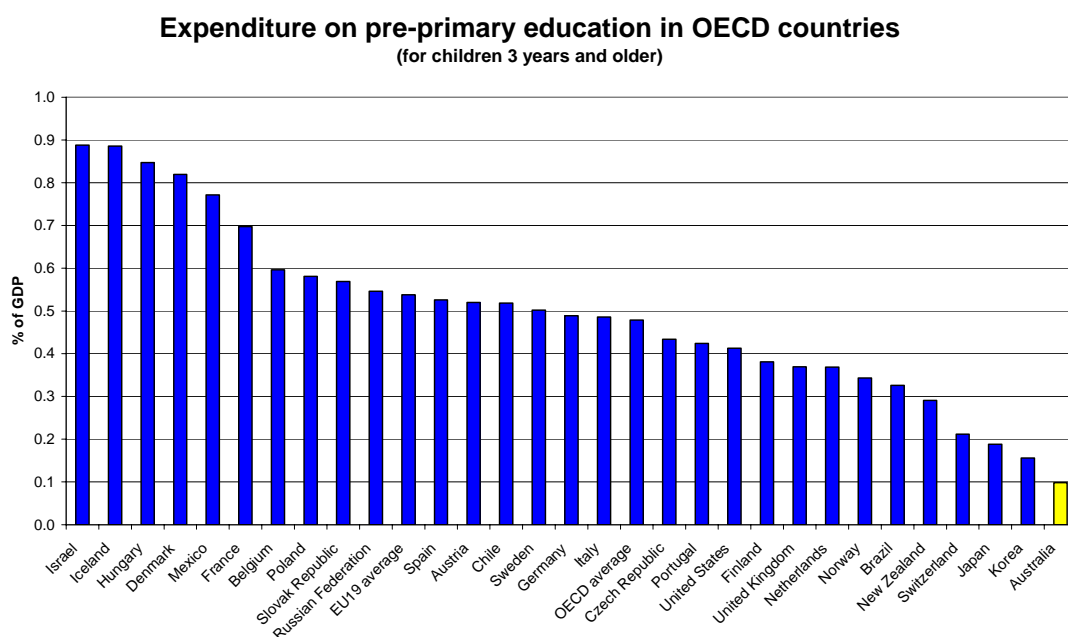


Table B2.1c OECD Education at a Glance 2006

¹⁹ OECD, *Education at a Glance 2006*, p.207

²⁰ Ibid p.205

²¹ UNESCO Institute for Statistics: <http://www.uis.unesco.org/profiles/EN/EDU/360.html>

As a consequence of underinvestment, participation in early childhood learning in Australia is low by international standards. According to the OECD,²² Australian children aged three and four are being left behind at an age that is critical for brain development and early learning and clearly predicts on-going educational achievement.²³ The OECD reported that in 2005:²⁴

- Four in five Australian 3 year olds did not receive any pre-primary education – one of the worst results among surveyed countries.
- More than one-third of 4 year olds did not receive any pre-primary education – again leaving Australia at the bottom of the league table.

These OECD figures demonstrate that while many children receive some level of early learning and development programs in their childcare, preschool or kindergarten setting, there is no universal provision.

An external evaluation of Queensland's 2003 *Preparing for School* trials found that: "All children did not enter the preparatory year equally prepared. ...Prior education experience and early care and education history were found to affect performance at entry. ... This finding was independent of family income or education."²⁵

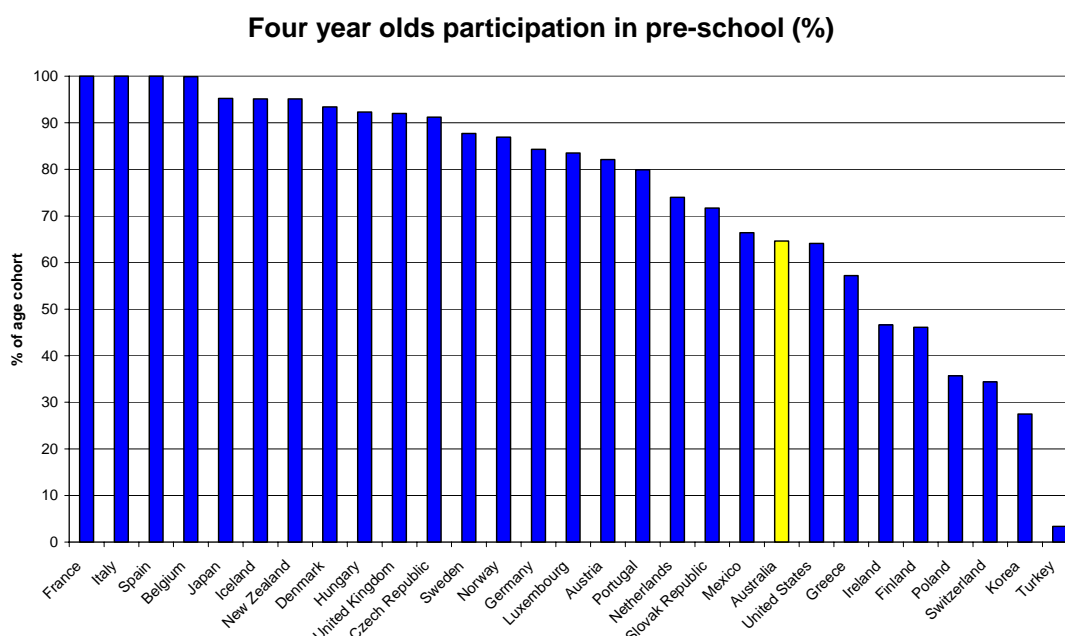


Table PF11.1 OECD Family Database²⁶

In combination, the expert evidence on the impact of early childhood education and Australia's low investment levels make a strong case for a major policy shift for Government to make early childhood education a national priority.

Clearly, Australia will require more investment to increase participation in early childhood learning. In boosting investment and participation in early childhood learning, Australia must also overcome current problems in its existing institutions and delivery structures. Australia's existing system of early childhood learning suffers from two main challenges.

²² OECD *Starting Strong 2: Early Childhood Education and Care*, 2006, p78

²³ for example see Karen Thorpe et al (2004), *Preparing for School*, Report of the Queensland Preparing for School Trials 2003/4, Department of Education and the Arts, Queensland Government.

²⁴ OECD 2006, *Starting Strong 2*, Figure 4.1, p.78

²⁵ Thorpe 2004 op cit p.33

²⁶ www.oecd.org/els/social/family/database/

First, the focus of early years services has been predominantly on care, rather than learning or pre-learning. This focus reflects an emphasis by the national Government on childcare as a means to increase workforce participation of parents. Labor believes that high quality and affordable childcare for our children is critical. Labor understands that child care providers generally deliver a good service that keeps children safe, yet there is a quantum difference between the provision of age-appropriate play-based care and an early learning and care environment that seeks to equip a young child for a life of learning.

While providing opportunities for parents to achieve greater participation in the workforce is vital to Australia's future prosperity it is equally important that an effective early childhood education framework be incorporated into the care that children receive. The benefits of boosting participation for parents are immediate. But when a child participates in an early learning program under the supervision of a degree-qualified early childhood educator, the long term economic benefits of early childhood education are even greater. Australia's under-developed attention to early learning must be dealt with as a matter of national priority now, for both individuals and the country.

Second, the development of the early learning sector in Australia is constrained by institutional problems. Within Australia's federal system of government, disparate efforts at the state level have created different systems, regulations, and outcomes. In fact, Australia does not even have reliable, comparable data of preschool attendance.²⁷

Existing policy complexity at the jurisdictional level is exacerbated by the lack of Commonwealth leadership in early childhood learning. It is an area of education policy that could be improved if the Commonwealth Government exercised a strong coordinating role in order to identify clear objectives, national standards, and provide a significant boost to investment. Through greater economic growth, the Commonwealth Government would in financial terms benefit greatly from a stronger leadership role in early learning policy.

By improving the structures of early childhood learning, and boosting investment and participation, Australia will enjoy the economic benefits of higher quality human capital. With a workforce that is both larger and more productive, Australia can better meet the challenges of coming decades, and sustain its prosperity into the future. In order to get there, incremental and piecemeal policy to boost early learning will not do. Australia needs a more systematic approach to early childhood education and care, led by the Commonwealth in close partnership with the States and Territories.

²⁷ See footnotes to Figure 14.3, p.14.12, Productivity Commission (2006) Report on Government Services Canberra: Australian Government. www.pc.gov.au/gsp/reports/rogs/2006/communityservices/chapter14.pdf

Early Childhood Education: New Directions for Australia

'First, political commitment at the highest level must expressly recognise that early childhood care and education is an economic and social priority.'

*UNESCO Global Monitoring Report Team*²⁸

'it seems important to ensure that early childhood services are part of a well conceptualised national policy'

*OECD Starting Strong 2*²⁹

Federal Labor will put learning and development at the centre of Australia's approach to early childhood education and care. For Labor, early childhood policies are not just about providing more care. Affordable and accessible child care is important in terms of lifting workforce participation. However this should not be the totality of any Government's ambitions in providing services for children during their early years. Parents have high aspirations for their children and they share Labor's concern that children have access to high quality early learning and care.

The policy proposals contained in this paper form the basis for further discussion between Federal Labor, State and Territory Governments and key stakeholder groups across the early childhood sector to ensure Australia has the best possible plan for improving opportunities for our youngest Australians. Through consultation, Labor will refine the final funding and administrative detail of its proposed new early childhood education plan.

Our Goal: Making early learning a right for all Australian children

Under Labor, all Australian four year olds will have enshrined in a new Commonwealth *Early Childhood Education Act* a universal right to access early learning programs. These programs will be supported by national standards that promote quality learning and care, including ways for parents to advise government about issues of quality in the centres their children attend.

Our aim is to improve the quality of early childhood education and care by ensuring four year olds receive access to early learning. All four year olds will be eligible to receive 15 hours of Government-funded early learning programs per week, for a minimum of 40 weeks a year. This would include a requirement for all early childhood education or care services catering to four year olds to have sufficient degree-qualified early childhood teachers to meet this entitlement. Structured play-based learning would be provided to assist the development of pre-literacy and pre-numeracy skills.

Considerable evidence, as discussed above, demonstrates that early learning programs have particular benefit for children from disadvantaged backgrounds. A priority for Labor will be expanding these early learning programs into areas of economic and social disadvantage, and especially into indigenous communities.

²⁸ UNESCO Global Monitoring Report Team 'Strong Policies to Benefit Young Children', *Journal of Education for International Development* 2(3), December 2006, at

<http://www.equip123.net/jeid/articles/4/StrongPoliciesToBenefitYoungChildren.pdf>

²⁹ see note 33 below

How the universal right would work

Labor's new early learning program will be delivered flexibly so that it is accessible to all four year olds. Early learning programs will be provided in preschools, kindergartens or as specific programs by existing childcare providers – public, private or community-based. We want all four years old to be able to access programs delivered by degree-qualified early childhood educators across a range of settings. For too long early childhood education and child care have been viewed as separate activities. Parents do not see it this way. Children are always ready to learn, no matter what learning environment they are in – public or private. Labor is concerned with the quality of the learning not whether it is delivered by a private Long Day Care provider or a State Government preschool.

Delivering early learning programs through existing childcare settings will help make these programs more accessible and convenient for working parents. Some working families fear that their decision to put their children into Long Day Care means they will miss out on opportunities to learn in the year before school. Labor's plan will help bring together education and care so that the children of both working and stay at home parents have access to high quality early learning sessions.

Family day care providers are linked with family day care networks, and these could be used to co-ordinate the development and implementation of early childhood learning programs for four year olds in family day care. Family day care providers could build a relationship with an existing pre-school, kindergarten or accredited early childhood provider to deliver the early childhood learning program on a sessional basis to four year olds in family day care.

Non-working parents whose children are not otherwise in formal care will be able to access places in learning programs at preschools or long day care centres for their children.

Over the longer term Labor believes that stand alone child care and preschools (or equivalent) could become integrated into a national network of Early Learning Centres, where care and early learning programs for three and four year olds are joined. Our vision is that the majority of early childhood education and care will be provided in integrated networks of Early Learning Centres (public, private and community based), supported by existing child care benefits and new funding for early learning programs.

Importantly, parents will retain the choice as to whether their child attends an early learning program. Universal access does not mean a compulsory obligation to attend.

How the expansion of services will be funded

Under the Howard Government there has been no significant institutional or budgetary recognition of the need to invest in early childhood education. To turn around this decade of neglect will take a substantial and sustained investment. It is an investment that will reap rewards.

Labor will make a significant new Commonwealth investment in early learning programs. There is currently a wide range of arrangements and varying levels of participation in four year old learning programs across the States and Territories. Labor will deliver universal access five years after the passage of the new *Early Childhood Education Act*. The additional Commonwealth investment required to implement these new programs is \$450 million per year when universal access is achieved.

This funding will be made available on condition that State and Territory Governments agree to share the costs of providing a universal service. Federal Labor's offer to States and Territories recognises they already fund some early learning programs for four year olds. State and Territory Governments will be expected to maintain this effort in the early childhood area while sharing the cost of expanding and improving services to all four year olds.

Federal Labor will work in close cooperation with State and Territory Governments and the early childhood sector to prepare for the impending changes. Our timeframe allows State and

Territory Governments time to plan new infrastructure and for providers to recruit additional staff or up skill their existing workforce.

At present a wide variety of fees are charged by early childhood services across the country. The implementation of Labor's plan will not result in increased in fees for parents. The funding provided to State and Territory Governments, private and community-based providers will be sufficient to cover additional costs associated with the learning program expansion.

Labor will also work with existing services to ensure the administrative arrangements underpinning its reforms do not place a burden on providers so they can focus on providing high quality early childhood education and care to children.

The wide range of early childhood services across Australia presents challenges in developing an efficient and effective delivery system for a new era of Commonwealth support for early learning. Federal Labor will consult widely with governments and provider groups to implement a funding system that delivers this new Commonwealth assistance to help our youngest Australians most effectively. Two options have been initially considered:

- Option One is to fund early childhood education and care centres directly with a Commonwealth grant, based on the number of children in each early learning program.
- Option Two is to deliver the new Commonwealth support as a Specific Purpose Payment to State and Territory Governments, to be passed on to early childhood services offering early learning programs.

In some States and Territories the participation of four year olds in learning programs is already significant. As part of the maintenance of funding effort requirement, Labor will work with these States and Territories to expand learning programs for three year olds or early intervention programs for children at risk.

Following the successful implementation of the first stage of our early learning reform agenda, Federal Labor will examine the options for extending some form of early learning programs to all three year olds.

National Early Years Learning Framework

Every child's learning and developmental needs are different. Government can help by providing access to stimulating learning environments. Knowing what works for each individual child is the particular skill of early childhood teachers, and the key to giving them the best start. International experience in early childhood and care recognises that each child's development needs to be nurtured with the support of an adaptable Early Years Learning Framework.³⁰ In Australia it is important that this framework be developed cooperatively between all levels of government to ensure consistency across jurisdictions.

Federal Labor will work with the States and Territories to develop a nationally consistent Early Years Learning Framework. This framework will be developed in consultation with early childhood experts and educators, with specific emphasis on play-based learning, pre-literacy and pre-numeracy skills, focusing on how to bridge the gap between care and learning.

While the framework will increase the emphasis on learning and development within Early Learning Centres, it is not a school-like curriculum and will not result in early childhood centres becoming schools. Age-appropriate learning recognises important differences in the way children interact at different stages of development, and emphasises play as the vehicle through which children learn.

³⁰ OECD, Starting Strong 2, 2006, pp.135-145.

Early Childhood Workforce Strategy

To meet our goal of all four year olds participating in early learning programs, Labor will expand opportunities for early childhood studies at universities, and provide incentives for graduates to work in the child care sector.

The increased demand for early childhood education and care services is creating a workforce crisis. Parents want to know that the staff looking after, nurturing and encouraging the learning of their children are highly skilled and experienced. Without a nationally co-ordinated workforce strategy for the early childhood sector, Australia will soon face a staffing crisis as they seek to find learning and care services.

Extra university places

Federal Labor will expand the number of university places to train early childhood educators.

Additional fully funded commencing university places will be phased in over the next three years, and by 2010 there will be an extra 1,500 early childhood students beginning their course every year. This will cost in the order of \$34 million per year when fully operational. Federal Labor is currently in discussion with both the university and early childhood education and care sectors about the capacity of the education system and the workforce needs of the sector.

Early childhood education is a national priority area, and under Labor students will receive HECS-HELP at the lowest student contribution rate.

HECS relief for early childhood teachers

It is important that all children receive the best possible early learning programs, no matter where they live. International evidence shows that the positive impact of early learning is especially significant for those from our most disadvantaged backgrounds.

Labor will pay 50% of the HECS repayments of up to 10,000 early childhood graduates working in areas of specific need, such as rural and regional areas, indigenous communities and areas of socio-economic disadvantage.

HECS remission will be available for a period of up to five years from graduation, while the graduate continues to work in an approved centre. This will cost in the order of \$12 million per year when fully operational.

HECS remissions will save an individual over \$1,000 a year in their first year, increasing to over \$1,200 per year as their salary increases. This can be claimed fortnightly through the PAYG tax system, or as a rebate in an individual's tax return.

No TAFE fees for childcare trainees

Expanding the number of qualified childcare workers is also a priority, so that they can better support the expansion of early learning and care.

In order to encourage more Australians into the childcare industry, Federal Labor will get rid of TAFE fees for eligible childcare courses by creating a Skills Account for all child care trainees. Through an initial deposit of \$1,200 per year for up to two years, Federal Labor will cover the cost of fees at TAFE or other eligible provider for these childcare trainees. Federal Labor will seek agreements with State and Territory Governments to ensure TAFE tuition fees will not exceed Labor's \$1,200 Government deposit. This will cost in the order of \$15 million for a full year. Childcare trainees would use the \$1,200 Skills Account deposit to pay fees for courses like a Diploma of Children's Services - a nationally recognised qualification for the childcare industry.

Building our early learning infrastructure

Labor understands that the delivery of universal early learning programs to all four year olds in Australia will require additional physical infrastructure to be built by State and Territory Governments, community or private providers.

Federal Labor has previously committed to providing extra financial assistance to build additional childcare centres on primary school grounds and other community land in partnership with childcare providers. The total investment would be \$200 million. Priority would be given to locations where early childhood services are not currently available or are insufficient to meet demand. Any new centres constructed under this initiative would incorporate Early Learning Centres. Further discussion will take place with State and Territory Governments to ensure that new Early Learning Centres incorporating long day care are considered in the planning of all new primary schools.

A national government focused on early learning and care

Federal Labor recognises the importance of the early years as fundamental building blocks of our lives. The educational and learning experience begins when a baby is born. Under Labor the Commonwealth Government will take a leading role in supporting all children's development.

Informal learning or pre-learning begins much earlier than school. The importance of early childhood learning programs that are developmentally appropriate for a child's age has been demonstrated by considerable international evidence.

After conducting a comprehensive review of early childhood education and care policy, the OECD advocates a systemic and integrated approach to policy making. "Administrative integration, that is, shifting national policy for ECEC [early childhood education and care] to one lead ministry, is another means of integrating policy at the national level...it is important in this process that early childhood policy-making should be placed in a ministry that has a strong focus on the development and education of young children."³¹

Recognising the need for a better start in life for all Australian children, a Federal Labor Government will transfer responsibility for early childhood education and care from the Department of Families, Community Services and Indigenous Affairs into the Department of Education, forming a new Office of Early Childhood Education.

The new Office of Early Childhood Education will have responsibility for Labor's plan for early childhood education strategy, as well as co-ordination of child care policy.

³¹ OECD, *Starting Strong 2*, 2006, p. 49

A new Commonwealth-State agenda for Early Childhood

All levels of government in Australia are involved in the provision and regulation of early childhood education and care. Providing the best future for Australia's children must be the responsibility of all governments.

Australia's Federation allows individual jurisdictions to drive policy innovation and best practice, whilst giving scope for national leadership in important policy areas. Historically early childhood policy has largely been a State responsibility with the Commonwealth confining itself to childcare only.

In its detailed analysis of the international experience of early childhood education and care the OECD notes in many countries "a positive consequence of decentralisation has been the integration of early education and care services at a local level, along with greater sensitivity to local needs."³² It makes sense that local knowledge can better tailor positive outcomes at the individual level. However the international experience shows that complete local or state devolution can also widen the service gap between jurisdictions, as has been the experience in Australia. The OECD highlights that "it seems important to ensure that early childhood services are part of a well conceptualised national policy, with, on the one hand, devolved powers to local authorities and, on the other hand, a national approach to goal setting, legislation and regulation, financing, staffing criteria, and programme standards."³³

Despite the importance of early learning to our economic future, and the clear case for action from the Commonwealth, to date, the Howard Government has refused to support nationally consistent access to early childhood education in Australia.

Early childhood education in Australia has fallen through the cracks and it is time to fix the problem, not start a new blame game or to shift responsibility between levels of government.

This early childhood education plan will be in the top three priorities for Federal Labor in its new Federalism agenda.

State and Territory Governments are involved with both financial support in certain areas and also in the regulation and monitoring of child care, including the qualifications required for the various levels of care.

State and Territory Governments have a significant responsibility for the licensing of child care and maintenance of certain standards, including the number of children in care, health and safety, staff ratios and qualifications, and physical dimensions of the centres. However the Commonwealth also plays a role in this area through the National Childcare Accreditation Council, which administers a quality improvement and accreditation system for centre based long day care, as well as quality assurance for family day care and outside school hours care.

Federal Labor is committed to making our children's future a national priority. Traditionally, State and Territory Governments have been responsible for providing educational and developmental opportunities for children. It is no longer acceptable that the Commonwealth ignore the education, and access to education, of our youngest citizens. The lack of national coordination and leadership from the Howard Government has led to disparate opportunities available in early childhood across Australia. Our children's future begins with high quality, universally accessible early learning programs which we will make available to all 4 year old Australians.

Simplifying Commonwealth-State relations, and making all Governments take responsibility for improving early childhood education and care, will be a priority for Labor's federalism agenda.

³² OECD, Starting Strong 2, 2006 p. 13

³³ Ibid

**LABOR'S NEW DIRECTIONS FOR EARLY CHILDHOOD EDUCATION:
A POLICY SNAPSHOT**

- **Universal right to early learning for all four year olds enshrined in a new Commonwealth *Early Childhood Education Act*.**
- **All four year olds entitled to receive 15 hours of learning per week, for a minimum of forty weeks per year.**
- **Delivery of play-based early learning by a four year qualified teacher.**
- **Early learning programs could be existing stand alone preschools or kindergartens, integrated into long day care centres or delivered in partnership with Family Day Care schemes.**
- **Implementation over five years, with new Commonwealth funding of \$450 million when universal access is achieved.**
- **No increase in cost of early childhood services for parents as a result of expanded learning programs.**
- **Additional capital assistance for centres co-located with primary schools with priority given to areas where existing infrastructure does not exist or is inadequate.**
- **Over time, encouragement for services to provide both early learning and care.**
- **A commitment to a National Early Years Learning Framework to ensure consistency of development and learning.**
- **Early childhood workforce strategy to train and retain more qualified staff:**
 - **1,500 new fully funded university places in early childhood education;**
 - **50% HECS remission for 10,000 early childhood graduates working in areas of need;**
 - **No TAFE fees for childcare trainees.**
- **Transfer responsibility for early childhood education and child care into the Commonwealth Department of Education, with a new Office of Early Childhood Education.**
- **Early childhood education in the top three priorities for Federalism agenda.**

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