



Catholic Education Commission, NSW

Submission to the Review of NSW
Government Funding for Early
Childhood Education

November, 2011

CONTENTS

EXECUTIVE SUMMARY	3
A. CONTEXT	6
A.1 Catholic Education Commission NSW and Contributing Agencies	6
A.2 Catholic School and Non-school Agencies Involved in Early Childhood Education	6
A.3 NSW Government Review of Early Childhood Education Funding	7
A.4 Catholic View of Early Childhood Education	8
A.5 National Context and the Commitment to Quality Services	8
A.5.1 Delivery by a four year university qualified early childhood teacher	9
A.5.2 Access by all children in NSW to 15 hours per week of early childhood education	10
A.5.3 Access which meets parents' and caregivers' needs	10
A.5.4 Cost as a barrier to participation	11
B. ADDRESSING THE FOUR ELEMENTS OF THE TERMS OF REFERENCE	11
B.1 International and Australian Arrangements	12
B.2 Funding Principles	13
B.3 Model, Funding Strategies, Administrative Changes, Mechanisms	15
B.3.1 Key Decisions for government	15
B.3.2 Establishing priorities and adopting a strategic approach	16
B.3.3 Funding	16
B.3.4 Accreditation, registration and supervision	17
B.3.5 The role of agencies and authorities	17
B.4 Methodology for a Pilot	17
B.5 Other Matters	18
C. SUMMARY OF KEY ADVICE	19
APPENDICES	20
Appendix 1: Licensed Preschools or Early Learning Centres Conducted by Catholic Church Agencies	20
Appendix 2: Need for 13,000 additional early childhood places in NSW	23
Appendix 3: Selected research	25

EXECUTIVE SUMMARY

There are a number of early childhood services conducted by different Catholic parishes, schools, welfare agencies and Religious bodies across NSW (see Appendix 1).

Since the early 1820s, as part of their history, Church agencies have conducted a range of services, including schools and orphanages, to meet the education and care needs of children. The Church is a determined advocate for holistic education for all children regardless of age or circumstance. The Church can assist government to achieve the aims of early childhood provision in the year prior to the beginning of formal schooling by conducting services efficiently and effectively.

Early Childhood Education must aim to support families and develop each child holistically. The physical, emotional, intellectual, social and spiritual development of each child is the goal of Catholic Early Childhood Education.

For the Catholic Church, ECE is about supporting families in the years before their children commence compulsory schooling. ECE should serve as a component in a suite of initiatives provided by the community to assist parents to care for and nurture their children. For parents, these initiatives should support them as the first educators of their children.

ECE provided by Catholic agencies is fully consistent with the NSW Government's aim to better utilise the not-for-profit sector as an integral part of the community's ECE delivery plan.

There are particular aims of the 2009 COAG National Early Childhood Agreement which are both highly challenging and problematic. These aims are:

- Delivery of a structured program by a four-year university qualified early childhood teacher;
- Access by all children in NSW to 15 hours per week of early childhood education in the 12 months prior to formal schooling by 2013;
- Parental right of choice of service provider and form of service;
- Availability at a cost that is not a barrier to participation.

CEC argues that it is unrealistic for a range of demographic and policy reasons to believe that the COAG target and its subsidiary aims can be achieved in NSW by 2013, though the COAG commitment can be progressively attained by the NSW State Plan end date of 2021 if resourced appropriately.

The Commission strongly supports the NSW Government's intention to target services to children who display vulnerabilities as assessed by the AEDI (*NSW 2021 A Plan to Make NSW Number One*, 2011, p. 27).

The CEC stresses the importance for the Review to develop a delivery model which satisfies an overarching need for **flexibility** of provision so that all parents have the choice of type of ECE service and provider.

This submission recommends that a new ECE funding mechanism be developed with the following components:

1. A per child component.
2. A needs based component with weightings for:
 - a. Family need;
 - b. Indigeneity;
 - c. Additional support needs;
 - d. Remoteness.
3. Administration and compliance component.

Providers who might receive reduced funding under the proposed model should have a transition period to ensure stability, viability and the ability to plan for their continued operation within the new funding arrangements.

Despite the 2009 COAG Agreement, it is the view of CEC NSW that the NSW Government will need a staged implementation plan and this plan will need to support both existing ECE providers and new providers. Any agreed NSW ECE implementation plan must recognise that it will take time and resources to build facilities and train staff. CEC envisages an implementation timeframe extending from 2012 to 2021.

In this context, this submission argues for more substantial access by Catholic agencies to future universal access National Partnership funding.

The Australian Children's Education and Care Quality Authority (ACECQA) is responsible for the regulation of ECE nationally. ECE in NSW is delivered under the oversight of DEC. This is problematic because the regulator is, as a consequence, also a provider of ECE across government schools. CEC recommends that a dedicated Office of Early Childhood Education be created within the Board of Studies to oversight all ECE services.

CEC sees little merit in a pilot to evaluate either a funding model or sector management strategies. Instead CEC recommends that the evaluation methodology of the Smarter Schools National Partnerships be adapted for use. Under the National Partnerships, evaluation is conducted as programs are implemented with a continuous feedback loop established between implementation and evaluation.

A. CONTEXT

A.1 Catholic Education Commission NSW and Contributing Agencies

The Catholic Education Commission NSW (CEC) is the policy and funding coordination body for Catholic schools in NSW. There are 583 Catholic schools in NSW which employ 18,250 teachers and enrol 241,016 students K-12. Also, CEC has been charged by the NSW Catholic bishops with the responsibility for monitoring and advising on Early Childhood Education (ECE) developments.

In addition to the input from Diocesan Catholic School Authorities, the CEC acknowledges the contribution of the following Church agencies to the development of this submission:

- Centacare, Diocese of Broken Bay
- Catholic Commission for Employment Relations (NSW and ACT)
- Catholic Social Services Australia (NSW)
- Council of Catholic School Parents (NSW and ACT)

A.2 Catholic School and Non-school Agencies Involved in Early Childhood Education

There are a number of early childhood services conducted by different Catholic parishes, schools, welfare agencies and Religious bodies across NSW. The early childhood services conducted by NSW Catholic agencies are listed in *Appendix 1*.

As shown in *Appendix 1*, there are 11 early childhood services conducted by or attached to Catholic schools but operating in a variety of modes. The Diocese of Parramatta is establishing Catholic Early Learning Centres in some parishes, associated with primary schools; the Diocese of Broken Bay has established a partnership with the Catholic social welfare agency Centacare to offer Catholic early childhood in three early learning centres attached to Catholic primary schools.

Associated with the Catholic school sector, and with a long history of commitment to children and families, are the many Catholic agencies that have in the past, and continue to, provide early learning and care. These include diocesan agencies such as Centacare/CatholicCare and also religious Congregational services such as those provided by the Sisters of Mercy at St Michael's Children's

Centre Baulkham Hills. Many of these Catholic non-government child and family agencies are members of Catholic Social Services Australia.

The evolving engagement of Catholic authorities with Early Childhood Education (ECE) is contextualized by the reality that the Catholic Church has been successfully providing educational services in NSW since the early 1820s. As part of their history, Church agencies have conducted a range of services, including schools and orphanages, to meet the education and care needs of children. Not only does the Church provide and conduct schools and universities, it is also a determined advocate for holistic education for all children regardless of age or circumstance.

The Church can assist government to achieve the aims of early childhood provision in the year prior to the beginning of formal schooling by conducting services efficiently and effectively. The Church can also assist by providing advice on early childhood learning which looks to the common good of all citizens of the state. The Church and its agencies are firmly of the view that early childhood learning requires substantial and sustained government funding similar to that which supports school education. This funding should aim, initially, to establish and grow services for the most disadvantaged NSW communities.

Early Childhood Education must aim to support families and develop each child holistically. The physical, emotional, intellectual, social and spiritual development of each child is the goal of Catholic Early Childhood Education.

A.3 NSW Government Review of Early Childhood Education Funding

The Catholic Education Commission NSW is most supportive of the NSW government's agenda to improve the quality of early childhood education: the agreed aim is to support family life. The CEC also supports a strategy of having more service providers offering quality early childhood education to more families with a focus on those with the greatest needs. The Commission welcomes the intention to develop a funding system which reduces existing complexity and improves transparency in funding arrangements. It is acknowledged that the inclusion of ECE in the *NSW 2021 State Plan* evidences a determination by the NSW government to adopt long-term, sustainable policy in early childhood education and CEC strongly supports this policy objective.

A.4 Catholic View of Early Childhood Education

For the Catholic Church, ECE is about supporting families in the years before their children commence compulsory schooling. It should serve as a component in a suite of initiatives provided by the community to assist parents to care for and nurture their children. For parents, these initiatives should support them in their efforts to lay the foundations of physical, intellectual, moral, social and spiritual growth of their children. Expanded provision can provide more comprehensive support for families. As an example, the five Family Centres conducted by Centacare in the Broken Bay Diocese, provide a range of integrated and co-located services for children and families focusing on coordinated health and well-being.

ECE provided by Catholic agencies is fully consistent with the NSW Government's aim to better utilise the not-for-profit sector as an integral part of the community's ECE delivery plan. A core consideration of this plan must be access to choice of service for all families. A key concern of Catholic authorities is that all parents have the choice of ECE provider. A professionally conducted Catholic ECE service, operating on a not-for-profit basis, will provide access to ECE which accords with the values of both Catholic families and those other families who desire a family focused and holistic approach to the delivery of ECE.

A.5 National Context and the Commitment to Quality Services

The context for the delivery of ECE in Australia is to be found in the COAG National Early Childhood Development Strategy as finalised in July 2009. The National Quality Agenda includes a wide range of objectives: that is, it includes goals for the delivery of high quality early childhood education and care; Aboriginal and Torres Strait Islander early childhood development; workforce development; and universal access to early childhood education. This range of goals demonstrates the inter-related policy areas which must be addressed to implement this COAG agreement.

The specific aim of universal access, that is the aim of having every child engaging with a structured program in the 12 months prior to schooling, is particularly challenging but it is reflective of a recognition around the world of the value of programs which promote early childhood development (Young & Richardson, 2007). There are, however, particular aims of the COAG Agreement which are both highly challenging and problematic. These aims are:

- Delivery of a structured program by a four-year university qualified early childhood teacher;
- Access by all children in NSW to 15 hours per week of early childhood education in the 12 months prior to formal schooling by 2013;
- Parental right of choice of service provider and form of service;
- Availability at a cost that is not a barrier to participation.

The above cited matters are a number of key challenges which arise from the question, *Is the COAG agenda a set of realistic goals or is it largely an aspirational statement?*

In this context, government policy needs to recognise the right of parents not to engage with early childhood education. That is, the ECE COAG goal must not become a defacto reform of the age at which compulsory schooling commences.

A.5.1 Delivery by a four year university qualified early childhood teacher

Quality services require trained and committed staff, along with stability and continuity of staffing. The current differential between the salary and conditions of the ECE and school education sectors needs to be addressed as a matter of equity since it has become clear that a sustainable expansion of early childhood provision will require that early childhood education becomes a more attractive career for four year university qualified early childhood teachers. CEC notes that this disparity in salaries of ECE teachers applies also to non-teaching staff in preschools.

Catholic employers are concerned that it is becoming increasingly difficult to attract and retain qualified teachers in preschools due to the salaries being lower than those paid to equivalent trained teachers in primary schools. They believe that teachers and qualified childcare workers and qualified and/or trained support workers in community-based preschools should receive the same salaries as those in government preschools and primary schools.

Currently a number of universities train early childhood teachers to teach children up to eight years of age. Anecdotal evidence from both of the NSW Catholic universities suggests that a significant number of their ECE program graduates teach in primary schools because of the higher salaries and better job security.

A revised funding model must address the problems arising from this salary differential; otherwise preschools and early learning centres will have difficulty attracting and retaining staff such that services will not remain operational. Alternatively, in the absence of a new funding model, preschools and early learning centres will need to raise fees significantly.

A.5.2 Access by all children in NSW to 15 hours per week of early childhood education by 2013

An analysis based on ABS census data conducted by CEC indicates that to meet the 2013 target of one year's preschooling in the year prior to the commencement of formal schooling, there will need to be, additional to current provision, 13,000 extra places created in NSW early childhood facilities and services by 2013 – see Appendix 2. To support these extra places, additional suitably qualified teachers will need to be attracted to work and remain in ECE. CEC argues that it is unrealistic for a range of demographic and policy reasons to believe that this COAG target can be achieved in NSW by 2013, though the COAG commitment can be progressively attained by the NSW State Plan end date of 2021 if resourced appropriately.

Catholic ECE providers, along with others in NSW and nationally, experience major difficulties in planning for and implementation of the 15 hours per week COAG requirement in preschool services. Their experience is that it requires 2.5 days attendance to achieve 15 hours when preschool centres operate on 6 or 6.5 hour days. NSW Catholic providers suggest that the NSW Government may encourage COAG to review the impact of 15 minimum hours requirement along with models of alternatives, say, a 12 hour minimum requirement. This issue and the need for its resolution is an example of the need for flexibility in all levels of ECE provision.

A.5.3 Access which meets parents' and caregivers' needs

Choice of early childhood services is more common in areas with higher than average incomes but is less common in areas where incomes are lower. This is a social justice issue. Addressing this disparity will be a particular challenge for the NSW Government's resourcing for early childhood education. The community's challenge is exacerbated by what are often the greater educational needs of children from lower SES areas, as identified by an analysis of Australian Early Development Index (AEDI) 2009 data. Consequently, the Commission strongly supports the Government's intention to

target services to children who display vulnerabilities as assessed by the AEDI (*NSW 2021 A Plan to Make NSW Number One*, 2011, p. 27).

The AEDI 2009 Report notes the importance of geography and SES as factors in children's capacity to thrive in primary schooling. Set out below are some key AEDI findings:

- Among children living in remote areas of NSW, 47% were 'developmentally vulnerable' in one area, 31% in two.
- For children living in NSW's most socio-economically deprived areas, 32% were vulnerable in one or more domains and 18% in two.
- For indigenous children, 47% were "developmentally vulnerable" in one domain and 30% in two.

A.5.4 Cost as a barrier to participation

The aim of universal access can only be achieved when all families regardless of income can access a quality early childhood service of their choice. The NSW government's intention of providing one year's early childhood education in the year prior to the commencement of formal schooling needs to be placed within the context of both the existing service capacity and the economic circumstances of families. The NSW community is unlikely to be able to meet the 2013 target for ECE for all children in the year prior to the beginning of formal schooling, see Appendix 2. However, a staged implementation beginning with the most needy communities is feasible.

Many of the families who are likely to choose to be the beneficiaries of these plans will have limited financial resources. Governments, State and Federal, will need to support the cost of providing the additional services, including the provision of staff for these communities.

B ADDRESSING THE FOUR ELEMENTS OF THE TERMS OF REFERENCE

In addressing the four elements of the terms of reference, the CEC stresses the importance for the Review to develop a model which satisfies an overarching need for **flexibility** of provision so that all parents have the choice of type of ECE service and provider.

B.1 Element One: International and Australian Arrangements and Current Access and Participation Rates

Research on ECE has been conducted around the world for fifty years. Most initial work looked at ECE as a way of ameliorating disadvantage in particular communities in places as diverse as Reggio Emilia in Italy and the Mississippi Freedom Schools in the US. Some recent research continues to support policy initiatives whose history can be traced through European and American social policy initiatives of the 1950s and 1960s. Some examples:

- Programs targeted to support particular disadvantaged groups resulting in improved children's transition to school and some learning gains which often lasted through the primary years; often the evidence of long term gains is contradictory.
- For disadvantaged communities, programs which go beyond ECE and engage disadvantaged families have been found to have considerable benefits in a number of countries, e.g. the Home Interaction Program for Parents and Youngsters (HIPPY), conducted in Australia by the Brotherhood of St Laurence and funded by the Commonwealth government (see Appendix 3).

Important evidence is becoming available, although the case still remains contestable, that universal ECE programs provide long term learning gains for all children. This is partly because of the small number of large population studies which have been conducted and partly because most children, as indicated by AEDI, do not have identified vulnerabilities.

Recently, the OECD reported on data from the 2009 *Programme for International Student Assessment (PISA)*¹ where there is evidence that:

- Fifteen-year-old students who had attended pre-primary education perform better on PISA than those who did not;
- Disadvantaged children have less access to pre-primary education than advantaged children in almost every country, particularly those in which pre-primary education is not widespread;

¹ *PISA in Focus, 2011/1 (February)*, OECD 2011

- High-performing and equitable school systems are also those with little socio-economic disparity in access to pre-primary education; and
- How pre-primary education is provided affects the extent to which attendance benefits individual children.

In this context the Commission is mindful of the need to avoid the stereotyping of low SES families. Most low income families are functional and conversely high income does not itself produce a functional family.

Given the limitations of the empirical evidence which underpins ECE, the engagement of families with ECE services must remain a matter of choice.

B.2 Element Two: Funding Principles

The core principles of any funding mechanism for all providers (government, non-government, not for profit and for profit) must be based on allocative criteria which are transparent, stable, predictable, verifiable and independent. ECE providers must have funding certainty as a basis for planning, staffing and investment. The funding mechanism must be based on the use of publicly accessible data which transparently produces funding allocations. A funding allocation must aim to achieve stability and have a needs-based framework.

Based on the above core principles and the knowledge that families living in low SES communities may experience affordability impediments to accessing mainstream services, this submission recommends that a new ECE funding mechanism be developed with the following components:

1. A **per child** component, based on the rationale that all children require funding, ensuring stability and viability for providers.
2. A **needs based** component, including a weighting for vulnerable communities identified by the 2009 AEDI data (and successive triennial collections) along with weightings for:
 - a. **Family need** which takes account of family work requirements, family income, family size and family cost equalization requirements (including the need for rebates);
 - b. **Indigeneity**: indigenous children have the greatest likelihood, among all subgroups, of being vulnerable in at least one AEDI domain;

- c. **Additional support needs:** due to the general acceptance of funding and equity needs of children with disabilities, behavior concerns, learning difficulties and developmental delays. Many of these children require a dedicated trained staff member to assist them in functioning successfully in the service;
 - d. **Remoteness:** due to recognised barriers to provision and access.
3. **Administration and compliance** component, in recognition that all providers have a cost regardless of the number of children (1 or 100). This should be a fixed amount rather than a per child allocation methodology.

Consideration must be given to how private income will be treated in the funding allocation mechanism. The mechanism should not operate in such a way that it discourages fees, fund raising or other sources of private income. It is proposed that all providers in receipt of government funding have an equity dimension for fees.

In addition to these principles, the CEC believes that a contributing factor which prevents access to quality early childhood services is the differential funding and subsidy by type of service (preschool compared to long day care centre) and funding source. This results in markedly different fee regimes where some centres are able to offer 100% subsidy where others little or no subsidy for operating cost.

Families wishing to enrol children in preschool would be assisted and preschool provision could be expanded if means-tested fee subsidies were available for preschools (noting that a 100% subsidy is possible for families with children enrolled in day care centres).

A capital subsidy for preschool buildings would allow for the expansion of provision. A single-stream community preschool can require up to \$1.5 to \$2 million in start-up costs, up to \$50,000 per place in land purchase or rent, specialist buildings and service connections. If a community/church/school system cannot afford the start-up cost, it has to be offset by higher parent fees.

This submission does not suggest specific funding amounts, as this is premature and depends on State budgets. However, CEC is willing to assist in the development of a more detailed funding allocation model if this proposal's principles and allocative components are endorsed.

To ensure stability and a smooth transition to the funding model, it is proposed that providers receiving additional funding under the proposal, move to the new model in 2013, and immediately receive additional funding. Providers who might receive reduced funding under the proposed model should have a transition period to ensure stability, viability and the ability to plan their continued operation within the new funding arrangements. To this end, a minimum transition period should operate until 2019. This will ensure stability for providers. Also it will ensure no disadvantage for parents with children currently in preschools and for parents whose children will be born during 2013, when the phase-in of the new funding arrangements will commence.

B.3 Element Three: Model, Funding Strategies, Administrative Changes and Mechanisms

B.3.1 Key decisions for government

NSW Catholic ECE providers, particularly those with school-based services, advise that the multiple and convoluted management arrangements and funding sources for preschool education in NSW require rationalisation. Negotiating with and working through different agencies has an opportunity cost, creates confusion regarding the application of regulations and discourages the establishment of preschools.

Before management structures can be determined, a funding mechanism for early childhood education must be clarified. The initial decision required is how will Universal Access, as required by the COAG Agreement, be resourced? Despite the 2009 COAG Agreement, it is the view of the CEC that the NSW Government will need a staged implementation plan and this plan will need to support both existing ECE providers and new providers. Any agreed NSW ECE implementation plan must recognise that it will take time and resources to build facilities and train staff. CEC envisages an implementation timeframe extending from 2012 to 2021.

In this context, the CEC brings to the attention of the review that, with few exceptions, there has been limited access by NSW Catholic ECE providers to Achieving Universal Access to Early Childhood Education National Partnership funding. The fact that the NSW Catholic sector as a whole has not been included in National Partnership funding in NSW has impacted adversely on the capacity of the sector to engage. This submission is seeking more substantial access by Catholic agencies to future universal access National Partnership funding.

B.3.2 Establishing priorities and adopting a strategic approach

Current provision of early childhood services is least adequate in the areas of the state which have the highest concentration of lowest socio-economic status (SES) families. However while SES may be a useful proxy for early childhood education needs, Australia has a superior measure which is the AEDI. This publicly available, transparent data source supplies a measure which can be used to determine those communities whose children have, on average, the highest levels of AEDI vulnerability which impacts on school readiness. These communities should be given a priority for the enhancement of their ECE services (Refer <http://maps.aedi.org.au/1/>).

While the COAG strategy gives a priority to the year before school the needs of children in the most vulnerable communities often require earlier intervention. NSW needs a strategic approach to addressing the needs of these children and their communities. Already NSW agencies are starting to use AEDI data but in a poorly coordinated fashion. The CEC recommends that measures be put in place to ensure better coordination and dissemination of data and successful intervention strategies by all government and non-government agencies in education, health and welfare (*NSW 2021 A Plan to Make NSW Number One*, 2011, p. 13). The CEC would readily participate in statewide and local initiatives to enhance coordination of strategic interventions.

B.3.3 Funding

The most vulnerable AEDI communities have generally the lowest rates of preschool attendance. For many families lack of financial resources limits their capacity to access preschool and related services. It is unrealistic to believe that preschool enrolment rates will rise without directly funded places. Service provision in these communities can be provided through appropriate partnerships involving government and the not-for-profit sector. However, resources ought not to be limited to preschool. Evidence points to earlier emerging family needs. A policy priority needs to be given to offering early childhood support services to communities with assessed vulnerabilities.

B.3.4 Accreditation, registration and supervision of Early Childhood Education

The Australian Children’s Education and Care Quality Authority (ACECQA) is responsible for the regulation of ECE nationally. In NSW ECEC is delivered under the oversight of DEC. This is problematic because the regulator is, as a consequence, also a provider of ECE across government schools.

The Catholic Education Commission recommends that the most appropriate body to accredit and monitor early childhood education services is the NSW Board of Studies. The Board of Studies is an experienced, professional organisation with statutory authority status. CEC recommends that a dedicated Office of Early Childhood Education be created within the Board of Studies to oversight all ECE services.

Further, the NSW regulation should allow for the possibility of operating preschools within schools, where there is school capacity, and it should be possible for ECE services to share school facilities. The CEC notes that this provision in WA across the three school sectors has enabled almost 100% achievement of the COAG target for access by all children to the minimum 15 hours per week of early childhood education in the 12 months prior to formal schooling.

B.3.5 The role of agencies and authorities

The provision of funded early childhood education services is the role of both government and non-government bodies. It is acknowledged that there is a legitimate role for “for-profit private providers”. Likewise the “not-for-profit” sector has a proven track record of successful service provision.

B.4 Element Four: Methodology for a Pilot

CEC sees little merit in a pilot to evaluate either a funding model or sector management strategies. The resources required to implement a suitably scaled pilot would be considerable. The commitment required would itself divert attention from the realisation of longer term goals. Instead CEC recommends that the evaluation methodology of the Smarter Schools National Partnerships be adapted for use. Under the National Partnerships, evaluation is conducted as programs are implemented with a continuous feedback loop established between implementation and evaluation.

This has the advantage of avoiding disruption to program delivery while at the same time allowing fit-for-purpose operational practices to be developed and sustained. CEC is most willing to be involved with other stakeholders in overseeing such a process in order to achieve a staged implementation of an agreed 2013 – 2021 ECE plan for NSW.

B.5 Other Matters

The CEC has identified three other related matters to bring to the attention of the Review, as follows:

1. While the review focuses on provision of universal access in the year prior to school (preschool), there are links and implications for the provision of early childhood care, that is, provision of holistic services for children aged 0 to 6 years;
2. Specific issues related to the administrative and resourcing complexity of the 15 hours per week “preschool” model (see section A.5.2 above); and
3. Links to the provision of Out of School Hours Care (OSHC) given the needs of families and implications of the NQF regulatory framework.

C. SUMMARY OF KEY ADVICE

In the context of the above commentary, the CEC advises that:

1. Universal Early Childhood Education be implemented for children in the year prior to the commencement of formal schooling and that it be introduced by stages leading to full implementation in 2021 in line with the longer term view of the NSW State Plan.
2. Families must have both a choice about engagement with ECE and a choice of ECE services to support their beliefs, values and needs.
3. Priority for the introduction of services be given to communities identified as the most vulnerable according to AEDI data.
4. Governments, both Commonwealth and State, fund ECE to ensure that children in the most vulnerable communities have access to ECE services. This government funding must be available to support:
 - a. The building and maintenance of ECE facilities; and
 - b. The operation of new and existing ECE services.
5. Delivery partnerships involving Government and not-for-profit providers should be supported.
6. To attract and retain staff in ECE, the pay and conditions of teaching and non-teaching staff be comparable to those which apply in government preschools and primary schools.
7. For the most vulnerable communities, ECE be complemented by full service delivery of health and other services to improve outcomes for children.
8. The regulation of the delivery of ECE in NSW be vested in an independent statutory authority and that this be achieved by creating an Office of Early Childhood Education within the structure of the Board of Studies.

In making these recommendations, CEC further advises that:

- These recommendations are inter-dependent and need to be taken holistically and implemented with a coordinated approach; and
- Any implementation strategy needs to allow for flexible approaches to ECE for both parents and providers.

APPENDICES

Appendix 1

Licensed Preschools or Early Learning Centres Conducted by Catholic Church Agencies

Diocese	School-based	Services conducted by other Church agencies
Armidale	Nil – nothing imminent because of funding uncertainty	
Bathurst	Nil - no plans at this stage because of funding uncertainty	
Broken Bay	<ul style="list-style-type: none"> • Our Lady Star of the Sea, Terrigal • St Brendan’s, Lake Munmorah • Our Lady of Good Counsel , Forestville 	<ul style="list-style-type: none"> • Waitara Long Day Care Centre (conducted by Centacare Broken Bay Diocese)
Canberra and Goulburn	No plans as yet [for NSW part of Archdiocese]. There are centres attached to schools in ACT part of the Archdiocese.	
Lismore	Nil	<ul style="list-style-type: none"> • Catholic Church Camden Haven Parish, Laurieton operates St Joseph’s Early Childhood Services • St Agnes Parish, Port Macquarie operates St Joseph’s Family Services including ECE centres and preschools

		<ul style="list-style-type: none"> Hastings Family Day Care Centre, Wauchope
Maitland-Newcastle	Nil - nothing definite in planning at this stage	<ul style="list-style-type: none"> St Patrick's Early Education Centre, Singleton (under the auspices of the Parish). Preschools/long day care centres at Glendale and Gateshead are run by external providers, with the facilities built on Parish land and the Parish receiving an annual rental for the land. They will eventually own the buildings as well.
Parramatta	<ul style="list-style-type: none"> Holy Family Primary School, Emerton Our Lady Queen of Peace Primary School, Greystanes John XX111 Catholic Primary School, Stanhope Gardens <i>Blacktown, in planning</i> 	<ul style="list-style-type: none"> Margaret Druitt Day Care Centre, Emerton (conducted by the St Vincent de Paul Society) St Michael's Family Centre, Baulkham Hills (conducted by the Sisters of Mercy)
Sydney	<p>No services will be conducted by the Archdiocese until there is consistent and sustained level of Government funding.</p> <p>These non-systemic schools provide ECE services:</p> <ul style="list-style-type: none"> St Maroun's College, Dulwich Hill Waverley College Santa Sabina, Strathfield 	<ul style="list-style-type: none"> Our Lady of the Sacred Heart, Randwick (parish) St Columba's, North Leichhardt (parish)
Wagga Wagga	Nil - not at this stage because of funding uncertainty	Centres in these three parishes are conducted by external providers on land leased from the parishes:

		<ul style="list-style-type: none"> • Holy Trinity West Wagga Wagga – Good Start • Holy Spirit Lavington (Albury) – Good Start • Sacred Heart Lakehaven (Wagga Wagga) – G8 Educational Limited
Wilcannia-Forbes	Nil - There are no plans for WF preschool centres	
Wollongong	<p>No services will be conducted by the Diocese until there is consistent and sustained level of Government funding.</p> <p>These non-systemic schools provide ECE services:</p> <ul style="list-style-type: none"> • Mater Dei School, Camden • St Patrick’s College, Campbelltown 	

Appendix 2

Need for 13,000 additional early childhood education places in NSW

1. The Review has a specific Term of Reference to provide recommendations to “support all children in New South Wales having universal access to a quality early childhood education program in the 12 months prior to formal schooling by 2013”. If this goal were to be achieved for 2013, then infrastructure and staffing would need to be finalised next year (2012).
2. Two factors impact on the resourcing or capability of this being achieved for 2013. The significant increase in the number of births in recent years therefore requiring additional places; and the proportion of the population not already accessing (any form of) childhood education (ie. the current unmet demand).
3. By calculating the current unmet demand ie. those current 4 year old not in childcare and adding the increase in the number of 4 year olds in 2013 ie. births in 2009 less births in 2007, it is possible to identify the additional number of childcare places that will be required in 2013.
4. The Australian Early Development Index identified that 81.9% of children in NSW were enrolled in a preschool program (A Snapshot of Early Childhood Development in Australia: National Report 2009 Re-issue March 2011, Figure 2.3, page 9), so using this proportion, and calculating the increase in the number of births, there will be a need to increase the childcare places for 4 year olds by more than 13,000 places in NSW by 2013.
5. The following table shows the breakdown of this increase by NSW Statistical Divisions (the geographical classification of the Australian Bureau of Statistics). As the table shows, the number of childcare places will need to increase in every Statistical Division, and increase by more than 9,200 in Sydney alone.

Statistical Division	Births 2007	Unmet (10.9%) 2007	Births 2009	Additional places required to bring to 100% universal access in 2013
Sydney	60,038	6,544	62,713	9,219
Hunter	7,377	804	7,438	865
Illawarra	4,553	496	4,715	658
Richmond-Tweed	2,411	263	2,636	488
Mid-North Coast	2,903	316	3,051	464
Northern	2,146	234	2,178	266
North Western	1,533	167	1,552	186

Central West	2,259	246	2,212	199
South Eastern	2,312	252	2,368	308
Murrumbidgee	1,980	216	2,006	242
Murray	1,391	152	1,392	153
Far West	245	27	250	32
Total NSW	89,495	9,755	92,783	13,043

Additional places is the difference in births in 2007 and 2009 plus the 10.1% 'unmet demand' of children born in 2009.

6. The implications for achieving childhood education by 2013 is complicated by: timeframe (infrastructure and staffing implications); the demographic reality of an 4 year old population increasing in 2013; and the need to achieve universal childcare when more than 1 in 10 children do not currently access childcare at 4 years of age. What will be the practical, industrial and financial implications and reality of achieving this goal in 2013 when an additional 13,000 places must be provided? Identifying the number of staff and childcare centres required would require more detailed calculations, beyond current data and time capabilities.

Appendix 3

Selected research

From an international perspective, early childhood education is culturally constructed to a greater degree than formal schooling. In nations, like the U.S. which, though wealthy, have a concern for the large gap in wealth between the richest and poorest, early childhood education is seen and an effort to ameliorate social tensions and inequalities and reduce crime. For some nations, early childhood education is seen to be attractive as means of freeing women for the work force. In other nations, early childhood education serves a cultural expectation, for example, a principal expectation in Swedish and Finnish preschool education is the socialization of the child (Alasuutari & Markström, 2011, p. 531).

When children first attend formal schooling, they demonstrate a vast developmental range (Elliot, 2006, p. 12). This has been manifested clearly in the data from the AEDI, an index developed from a Canadian model and adapted for Australia (Sayers et al., 2007, p. 521). The response to these differences for many years has been a range of preschool strategies, adopted in different countries for a century. A meta-study of experimental and quasi-experimental research suggested that early childhood education is an effective intervention strategy, the benefits of which grew with the intensity of the intervention (Gorey, 2001, pp. 22-23). There is however no clear agreement on the best age for intervention to support children's learning prior to schooling. Studies of brain growth in children do suggest that the first three years of life may be quite critical but there is no clear consensus (Currie, 2001, p. 229).

The major source of inequality in the performance in schools is parents rather than schools (Heckman & Tremblay, 2006, p. 5). The connection between low SES and poor academic competence has been shown to date back to children's infancy. "Numerous studies have documented that poverty and low parental education are associated with lower levels of school achievement and IQ later in childhood" (Bradley & Corwyn, 2002, p. 375; McLoyd, 1998, p. 192; Najman et al., 2004, p. 1148). The impact of SES continues into early years of primary schooling (Hartas, 2011, pp. 14, 17). Low SES parents are less likely to buy book and learning materials, less likely to take their children to educational or cultural events and less likely to limit their TV viewing (Bradley & Corwyn, 2002, p. 382). In England families with low SES and where parents have low educational attainments are more likely to have children who will be identified in schools as have special education needs (Anders et al., 2010, p. 438). These children place a large burden on the education and health budget

and the burden may continue into their adult life. This is not to claim that children inherit the intelligence of their parents. Rather, gene-environment interactions are centrally important in determining something like human behaviour and in shaping a person's capacity to succeed in life (Gorey, 2001, p. 10). A recent English study found that, regardless of parental occupation, education or income, the most important factor determining a child's schooling success was the learning environment at home (Sylva, Melhuish, Sammons, Siraj-Blatchford, & Taggart, 2004, p. 1).

There is some debate on the effectiveness of targeted early childhood education projects. A Rand Corporation metastudy found a common pattern or "fadout" where over time the effects of a program were reduced (Karoly, Kilburn, & Cannon, 2005, p. 69). This is consistent the view that the parents and home background are the most significant factors which determine a child's academic progress. This is not to claim a lack of significant, positive effects (Karoly, et al., 2005, pp. 74-78). Four small American projects which used randomized controls, the Early Training Project, the Carolina Abecedarian Project, the Perry Preschool Project and the Milwaukee Project, followed children only to eight years of age. Only the Milwaukee Project found evidence of a long-term effect on IQ but the other three projects all found positive effects on schooling success (Currie, 2001, p. 219). The Abecedarian Project showed that "a high quality child care program can have a lasting impact on the academic performance of children from poverty backgrounds" (Campbell, Ramey, Pungello, Sparling, & Miller-Johnson, 2002, p. 55). This project also showed that at 15 years of age, children from the project were achieving better academically, had lower rates of grade retention and special education; at 21 years of age they still has higher test scores and were twice as likely to have attended a four year tertiary program than the control group (Currie, 2001, pp. 219-220). There were similar positive long-term results from the Chicago Child-Parent Centers program (Reynolds, Temple, Robertson, & Mann, 2001, pp. 244-245).

A comparatively recent focus has been on the quality of early childhood education. A longitudinal government funded English study finds evidence that attendance at "a higher quality or more effective preschool acts as a protective factor for children who go on to attend a less academically effective primary school, whereas for home children (who did not attend preschool) the academic effectiveness of the primary school attended is of particular importance for later attainment. The quality of the early years home learning environment also remains a strong predictor of better outcomes both during preschool and throughout primary education and a stronger influence than family SES or income" (Grabbe, Sylva, Hunt, & Barreau, 2007, p. 6; McLoyd, 1998, p. 195). The twin strategies to maximise the chances of successful primary schooling appear to be good preschooling

and a rich early years home learning environment. When both of these are combined with an effective primary school, the effects are such that they can compensate for a poorer home learning environment or a mother with a university degree of better (Grabbe, et al., 2007, p. 9). For a child who enjoys all the advantages, effective preschooling provides a further educational advantage.

A case can be made for economic benefits of programs for needy communities in short and medium terms (Currie, 2001, pp. 230-234; J. Heckman, 2006, p. 2; Karoly, et al., 2005, pp. 131-132). The diagram below attempts to show the inter-relationships between economic benefits and investment in human capital at all ages – see Figure 1. The case for government intervention in early childhood education has been made on the basis of equity though it is acknowledged that such intervention is only a small part of a larger problem (Currie, 2001, pp. 215-216). An additional argument for government intervention can be found in the relative failure of the market to provide accessible early childhood education services (Currie, 2001, p. 216).

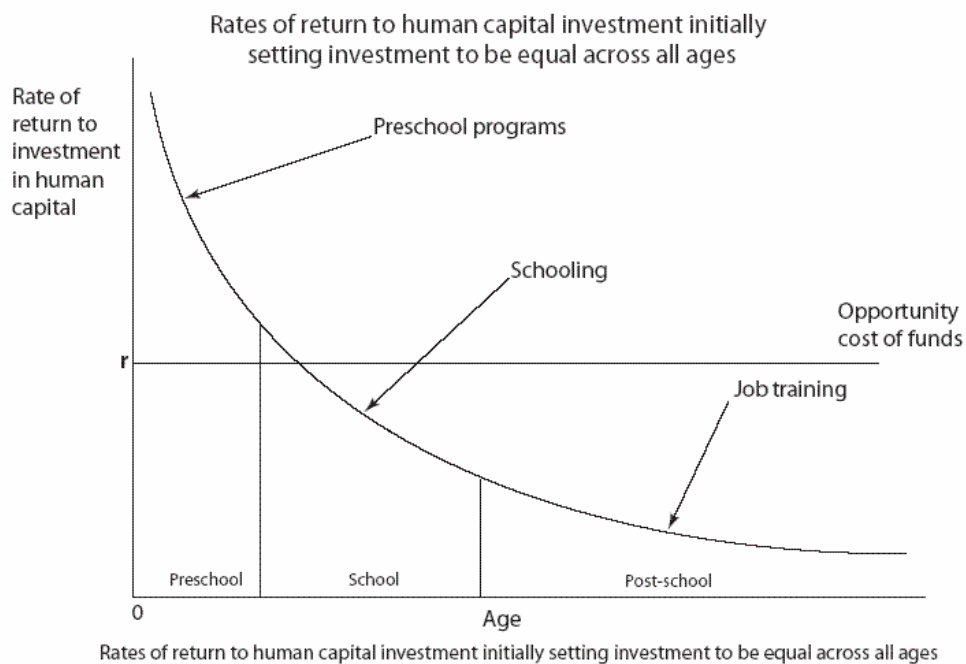


Figure 1: Relationship between return on capital investment throughout peoples' lifetimes (J. J. Heckman, 2006).

The evidence for a long term benefit from large government funded programs is not as strong as the evidence from the smaller programs but given the difficulties in research design it remains that there are clear benefits in school readiness though long term benefits are harder to quantify. There have been large scale government funded programs conducted in the U.S., the most well-known of which is Head Start. Unlike the small programs, discussed above, there has not been a randomized

study of the effectiveness of Head Start. Certainly there were positive initial effects in school attendance, verbal ability and social adjustment but the children have not been tracked longitudinally (Currie, 2001, p. 222). Evidence of differential effects in white and African American children may be due to school quality (Currie, 2001, p. 225). A study using a robust methodology conducted on the relatively small Chicago Child-Parent Centers which followed children to Year 7 found significant reductions in grade retention, special education provision and delinquency as well as some improvements in reading scores (Currie, 2001, pp. 222-224). While these targeted programs have shown success and would appear to justify their cost in economic terms, it remains unclear whether a universal program could justify its costs (Duncan & Magnuson, 2008, pp. 186-187).

In Australia, the Home Interaction Program for Parents and Youngsters (HIPPY) has been conducted by the Brotherhood of St Laurence for some years and has been the subject of research studies by Victoria University since 1998 and now by Monash (<http://www.hippyaustralia.org.au/>). The program has now been substantially funded by the Australian Government:

http://www.deewr.gov.au/Earlychildhood/Policy_Agenda/Pages/HomeInteractionProgramforParentsYoungsters.aspx. HIPPY has its origins in an Israeli program which has been implemented in a number of other countries (Dean & Leung, April 2010, p. 14). As the project name suggests, this program works in family homes rather than in preschool facilities. Its benefits extend to improved adjustment to school and improvements in reading and performance in maths. Of particular note were gains in parent-child communication and bonding. The benefits were greater from a two year program compared to the one year experience (Dean, 2007, p. 1). The program also appears to have benefits to families in regional areas as well as urban areas (Dean, 2007, p. 2).

Bibliography

- Alasuutari, M., & Markström, A.-M. (2011). The Making of the Ordinary Child in Preschool. *Scandinavian Journal of Educational Research*, 55(5), 517-535
- Anders, Y., Sammons, P., Taggart, B., Sylva, K., Melhuish, E., & Siraj-Blatchford, I. (2010). The influence of child, family, home factors and pre-school education on the identification of special educational needs at age 10. *British Educational Research Journal*, 37(3), 421-441
- Bradley, R. H., & Corwyn, R. F. (2002). Socioeconomic status and child development. *Annual Review of Psychology*, 371-400.
- Campbell, F., Ramey, C., Pungello, E., Sparling, J., & Miller-Johnson, S. (2002). Early childhood education: Young adult outcomes from the Abecedarian Project. *Applied Developmental Science*, 6(1), 42-57.

- Currie, J. (2001). Early Childhood Education Benefits. *Journal of Economic Perspectives*, 15(2), 213-238.
- Dean, S. (2007). Concerning the Home Interaction Program for Parents and Youngsters (HIPPY): School of Psychology, Victoria University.
- Dean, S., & Leung, C. (April 2010). Nine years of early intervention research: the effectiveness of the Home Interaction Program for Parents and Youngsters (HIPPY) in Australia. *The Bulletin*, 14-18.
- Duncan, G. J., & Magnuson, K. (2008). Can Society Profit from Investing in Early Education Programs. In A. R. Tarlov & M. P. Debbink (Eds.), *Investing in Early Childhood Development: Evidence to Support a Movement for Educational Change* (pp. 177-188). New York: Palgrave Macmillan.
- Elliot, A. (2006). *Rethinking and reshaping early childhood care and education policy: Visions and directions for the future* Paper presented at the National Education Forum Conference.
- Gorey, K. M. (2001). Early Childhood Education: A Meta-Analytic Affirmation of the Short- and Long-Term Benefits of Educational Opportunity. *School Psychology Quarterly*, 16(1), 9-30.
- Grabbe, Y., Sylva, K., Hunt, S., & Barreau, S. (2007). *Effective Pre-School and Primary Education 3-11 Project (EPPE 3-11). A longitudinal study funded by the DfES (2003-2008)*. Paper presented at the British Educational Research Association Annual Conference, Institute of Education, University of London.
- Hartas, D. (2011). Inequality and the home learning environment: predictions about seven-year-olds' language and literacy. *British Educational Research Journal*, 1-21. doi: 10.1080/01411926.2011.588315
- Heckman, J. (2006). Investing in disadvantaged young children is an economically efficient policy. New York: Committee for Economic Development, Pew Charitable Trusts.
- Heckman, J., & Tremblay, R. (2006). The Case for Investing in Early Childhood. Sydney, NSW: The Smith Family Research & Development.
- Heckman, J. J. (2006). The Economic of Human Skills: Evidence and Policy Implications. Canberra: The Research School of Social Sciences, The Australian National University.
- Karoly, L. A., Kilburn, M. R., & Cannon, J. S. (2005). *Early Childhood Interventions: Proven Results, Future Promise*. Santa Monica: Rand Corporation.
- McLoyd, V. C. (1998). Socioeconomic Disadvantage and Child Development. *American Psychologist*, 53(2), 185-204.
- Najman, J., Aird, R., Bor, W., O'Callaghan, M., Williams, G., & Shuttlewood, G. (2004). The generational transmission of socioeconomic inequalities in child cognitive development and emotional health. *Social Science & Medicine*, 58(6), 1147-1158.

NSW 2021 A Plan to Make NSW Number One. (2011). Sydney: Department of Premier and Cabinet.

Reynolds, A., Temple, J., Robertson, D., & Mann, E. (2001). Long-term effects of an early childhood intervention on educational achievement and juvenile arrest: A 15-year follow-up of low-income children in public schools. *Journal of the American Medical Association*, 285(18), 2339.

Sayers, M., Coutts, M., Goldfield, M., Oberklaid, F., Brinkman, S., & Silburn, S. (2007). Building Better Communities for Children: Community Implementation and Evaluation of the Australian Early Development Index. *Early Education and Development*, 18(3), 519-534.

Sylva, K., Melhuish, E., Sammons, P., Siraj-Blatchford, I., & Taggart, B. (2004). The Effective Provision of Pre-School Education [EPPE] Project: Finding from Pre-school to end of Key Stage 1. London: SureStart.

Young, M. E., & Richardson, L. M. (Eds.). (2007). *Early Child Development From Measurement to Action: A Priority for Growth and Equality*. Washington DC: The World Bank.