

The Time is Now

Budget Submission:
to the Victorian Government
2014–2015



EARLY
LEARNING
ASSOCIATION
AUSTRALIA

The voice for parents and service providers

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The Time is Now

Over time, successive Victorian governments have heeded – in part – ELAA’s call to take a longer term perspective to early learning and make early childhood education and care a key policy and investment priority.

In this regard, ELAA acknowledges the lead role played by Victoria in the development of the National Quality Framework; the substantial government investment in infrastructure; support provided for vulnerable children through the Early Start Kindergarten and Best Start programs; IT support for kindergartens; increased places for children with disabilities and developmental delays; and other positive actions that demonstrate a strong and shared commitment to ELAA’s vision of “excellence in early learning for every child”.

However, we contend that governments – and the broader community – should aspire to a fuller realisation of this shared vision.

Australian and international research demonstrates that quality early learning programs provide the firm foundation of every child’s life-lasting social and financial prospects. A quality early learning environment is much more than a welcome addition to a child’s early life – it is critical to the child’s longer term educational and wellbeing outcomes.

Hence, in our submission to the *Service Sector Reform Project* in 2013, we recommended that 15 hours of kindergarten be made compulsory and provided free to all four-year-old children in Victoria.

We believe that this would ensure kindergarten becomes a genuinely universal service for all children. Furthermore, this would provide opportunities to better link vulnerable children and families to early intervention and prevention strategies as required.

Australian and international research demonstrates that quality early learning programs provide the firm foundation of every child’s life-lasting social and financial prospects. A quality early learning environment is much more than a welcome addition to a child’s early life – it is critical to the child’s longer term educational and wellbeing outcomes.

We believe the time is right for broad-based community debate on the issue of compulsory and fully-funded kindergarten for four-year-old children. This debate would elevate the status of early learning programs in the public mind and enable people to better understand its long-term benefits.

The Victorian Government is well placed to lead this debate and to invest in the development of a long-term early years’ strategy to strengthen delivery of early learning programs, and to support service providers.

The sector’s commitment to work in partnership with government to deliver high quality early learning has never been stronger. This is ably demonstrated by the manner in which service providers have embraced the quality agenda and Universal Access.

This submission outlines a range of policy and program initiatives that we believe would enable government to seize this opportunity, and act in collaboration with a willing, capable and committed sector.

The time is now.

Executive Summary

INVESTMENT/SUPPORT REQUIRED

PRIORITY AREA

1

FULLY FUND FOUR-YEAR-OLD AND THREE-YEAR-OLD KINDERGARTEN

- full funding for 15 hours of four-year-old kindergarten for all Victorian children in the year before school
- full funding for a minimum of 5 hours of three-year-old kindergarten for all Victorian children, including those from disadvantaged families
- the State Government to continue to work in partnership with the Commonwealth Government to support the implementation of Universal Access across Victoria
- funding for infrastructure required for the provision of four-year-old and three-year-old kindergarten places in all early childhood settings according to community need.

PRIORITY AREA

2

NQF IMPLEMENTATION SUPPORT

- undertake a thorough assessment of the support needs of services to implement the NQF
- based on this assessment, provide appropriate funding to resource and support committees of management, clusters and educators to ensure the delivery of programs that meet or exceed the National Quality Standard.

PRIORITY AREA

3

ECEC WORKFORCE

- a. Workforce strategy
- b. Qualifications
- c. Wages
- d. RTOs

- develop and implement a workforce strategy to attract and retain suitably qualified educators to the early childhood sector
- continue to provide support to upgrade the qualifications of educators
- fully fund the costs associated with employing educators with higher level qualifications, ensuring that these costs are not passed on to families
- develop standards for Registered Training Organisations to ensure they produce staff appropriately trained for work in services
- incorporate early childhood professionals under the auspices of the Victorian Institute of Teaching.

Executive Summary *continued*

INVESTMENT/SUPPORT REQUIRED

PRIORITY AREA

4

FUNDING MODEL REVIEW

- a. Kindergarten Cluster Management funding
- b. Per capita funding
- c. Rural funding

- develop a longer term vision for Kindergarten Cluster Management and an appropriate funding model which delivers consistent high quality outcomes for children, and compensates clusters for the full cost of providing services
- review current per capita rates and develop a funding model that takes account of the actual costs of staffing and enhanced service operation
- support rural services by:
 - developing a consistent definition of a “rural” service
 - providing a rural funding supplement with a revised unit price reflecting the true cost of service provision
 - providing ‘safety net’ funding to very small services to meet the minimum cost of providing a program.

PRIORITY AREA

5

INCLUSION SUPPORT

- resource and support early childhood services to fully include all children, including children with a disability and those with additional needs
- ensure early childhood intervention services are accessible to all children who require them by funding Early Childhood Intervention Australia (Victorian Chapter) priorities, including: increased investment and redevelopment of the Kindergarten Inclusion Support and Preschool Field Officer programs, and support to families on waiting lists
- support and resource ECIA (Vic) to lead Victorian field trials of the Teaching Pyramid in partnership with peak bodies, services, Government and communities.

PRIORITY AREA

6

VULNERABLE CHILDREN AND FAMILIES

- implement the recommendations of the Cummins Panel contained in the *Victoria's Vulnerable Children – Our Shared Responsibility Strategy*, and the *Service Sector Reform* project undertaken by Professor Peter Shergold
- gather attendance data as well as enrolment data to provide a more complete picture of participation rates to support future planning
- establish a Vulnerable Children’s Fund with an initial quantum of \$10 million, to support the children of asylum seekers, those from low income families, and other vulnerable children to access and engage with appropriate early learning programs.

About ELAA

The vision of Early Learning Association Australia is “excellence in early learning for every child”. As a national peak body, we advocate for, and support parents and service providers.

ELAA was established on the foundations of Kindergarten Parents Victoria, evolving as an organisation in response to the growing diversity of our membership throughout the early childhood sector, and to the increasingly national focus of early learning policy and practice.

ELAA represents over 1200 service providers throughout Victoria, and increasingly from other parts of Australia. We actively work with our members to promote and support high quality services through the provision of advice and training for management and staff, professional development opportunities and the development of National Quality Framework compliant resources.

Our diverse membership base includes:

- independent kindergartens;
- cluster managed services;
- local governments;
- integrated services;
- long day care services;
- government and independent schools; and
- out of school hours care programs.

For over twenty years, ELAA/KPV has worked collaboratively with members, peak bodies, Commonwealth, State and local governments, and other stakeholders to promote and support the provision of quality early childhood services to children, and to help ensure that these services are accessible and affordable for families.

ELAA's membership base and our long-term relationships with government, make our organisation an effective advocate for the sector, able to identify opportunities for realistic funding and support to ensure the sector is able to deliver high quality early childhood education services to children.

ELAA represents over 1200 service providers throughout Victoria, and increasingly from other parts of Australia. We actively work with our members to promote and support high quality services through the provision of advice and training for management and staff, professional development opportunities and the development of National Quality Framework compliant resources.

Working with our members and partners, ELAA is an influential voice for reform and development in the early childhood sector. Our collaborative approach has involved ELAA in positive working relationships with a diverse range of organisations and peak bodies, including the Victorian Council of Social Services, the Australian Children's Education and Care Quality Authority, the Business Council of Australia, Gowrie Victoria, the Municipal Association of Victoria, the Australian Education Union, Early Childhood Intervention Australia, Noah's Ark, Playgroup Victoria, and Community Childcare Victoria.

ELAA is committed to the implementation of the National Quality Framework and to the continuation of Universal Access for all children to 15 hours of kindergarten in the year before commencing school.

We believe it is critical that the momentum generated by these reforms is supported and maintained, and we look forward to working with the Victorian Government to deliver excellence in early learning for every child.

The Evidence Base

a) Australian and international research

Over the last decade, international research has unequivocally established the importance of the early years in the development of a child's brain. The experiences and quality of interactions in our formative years provide the foundation for all subsequent learning and behaviour. The longer term economic benefits and return on investment for every dollar invested early have also been documented in numerous studies.

Two recent Australian research reports are worth highlighting in this context. Based on data from *Growing Up In Australia: the Longitudinal Study of Australian Children* (LSAC), these reports found positive correlations between preschool attendance and longer term benefits for children.

A 2011 report concluded that "those 4–5 year old children who are attending pre-school or a pre-year one program [have] on average higher overall development, learning and cognitive and social-emotional outcomes than those children who do not" (Gong, McNamara, & Cassells, 2011, p. 8). University of Melbourne Research undertaken in 2013 in collaboration with the Department of Education and Early Childhood Development and also based on LSAC data, shows a "significant positive association between pre-school attendance and Year 3 NAPLAN scores "where the pre-school teacher had a Degree in Early Childhood Education or a Diploma in Early Childhood Education or Child Care (Warren & Haitsken-DeNew, 2013, p. 34).

b) Benefits for vulnerable children

We also know from research that children (particularly vulnerable children) who are behind when they start school, are extremely unlikely to catch up, with potentially

devastating longer term educational and employment outcomes. The Australian Early Development Index (AEDI) data, collected nationally since 2009, measures early childhood development across five domains. It is a predictor of good adult health, education and social outcomes and provides an opportunity to measure the health and wellbeing of specific communities and to prioritise spending accordingly. The data shows that participation in a preschool program in the year before formal schooling is one of a range of factors that impacts on AEDI results.

The AEDI data from 2009 and 2012 shows Victoria has the lowest proportion of developmentally vulnerable children in the country (Australian Government, 2013, p. 27). The percentage of children in Victoria who were vulnerable on one or more or two or more domains was also lower than the national average (see Table 1).

However, in 2012, 9.5 percent of children were still considered vulnerable on two or more domains placing them at particularly high risk developmentally. Aboriginal and Torres Strait Islander children, children known to child protection, children with disabilities and additional needs, and children who are not proficient in English are all at higher risk. Children living in rural Victoria are also considered to be more developmentally vulnerable than children living in metropolitan Melbourne (DEECD, 2013, p. 69).

In Victoria, enrolment in preschool programs has been increasing in recent years from a relatively high base of 91.4 percent in 2006 to 97.9 percent in 2012 (State of Victoria's Children Report 2012, p. 68). Anecdotally however, we understand that enrolment figures do not necessarily correlate with attendance figures and these can vary significantly for some services (refer to Priority 6).

Table 1 – AEDI Data¹

Victoria	Number of children	Developmentally vulnerable on 1 or more domain	Number of children	Developmentally vulnerable on 2 or more domains
2009	57,277	20.3% (11,627)	57,420	10.0% (5742)
2012	63,584	19.5% (12,398)	63,889	9.5% (6069)

Much work is still needed to ensure vulnerable children actually participate in a high quality early learning program. We cannot afford to become complacent. High quality universal early childhood services can play a crucial role in breaking the cycle of intergenerational poverty and disadvantage, turning young lives around.

¹ Australian Government (2013) *A Snapshot of Early Childhood Development in Australia 2012 – AEDI National Report*, Australian Government, Canberra, p. 24.

The Economic Benefits

The benefits that flow from high quality early learning are economic as well as social and have a positive impact on both the individual and the wider community.

The report of the *Protecting Victoria's Vulnerable Children Inquiry* notes the long term savings for society arising from investment in early childhood education. The Early Childhood Development Steering Committee also noted that high quality early childhood education and care "contributes to achieving Australia's economic goals, both by supporting workforce participation now and by providing the best possible start for the workforce of the future" (2009, p. 1).

More recently, the Business Council of Australia noted that "we need to get foundation skills right because they are important for almost every sphere of life. A modern economy requires a higher level of foundation skills than in the past... Improved literacy and numeracy have a positive and statistically significant effect on labour force participation and wages" (Business Council of Australia, 2013, p. 78).

Moreover, in *A practical vision for early childhood education and care*, some of the leading experts in early childhood from around the world considered "the creation of an integrated early childhood education and care system... one of the key issues for Australia's social and economic development into the 21st Century" (PWC , 2011, p. 3).

"We need to get foundation skills right because they are important for almost every sphere of life. A modern economy requires a higher level of foundation skills than in the past... Improved literacy and numeracy have a positive and statistically significant effect on labour force participation and wages" (Business Council of Australia, 2013, p. 78).

In a recent keynote speech at the ELAA AGM, Jennifer Westacott (CEO, Business Council of Australia) highlighted the urgency around investing in the early years, in the context of the three big shifts that are transforming the Australian economy. Ms Westacott said that increased technology and digitisation, growing Asian economies and an ageing Australian population demand fundamental changes to the way we think about and develop foundation skills, i.e., literacy and numeracy and digital literacy, so that we can adapt ourselves and thrive as a nation in the face of these challenges.

The Business Council of Australia warned that if we want serious public policy responses to issues like early childhood learning, we must put it into the broader context of our long-term resilience and creativity as a nation.

Priority Areas For Investment

PRIORITY
AREA

1

Fully fund four-year-old and three-year-old kindergarten

UNICEF established a target of 15 hours per week as the minimum level of participation in early childhood education needed for a high quality outcome for children. Australian and international research, including that undertaken in the Effective Provision of Preschool Education (EPPE) study, NAPLAN and NATSEM research indicates that early exposure to a high quality learning environment (as measured by teacher qualifications) has a direct and positive impact on educational and wellbeing outcomes for children.

This positive impact is strengthened with increased hours of participation over longer periods of time. Improved participation in early childhood programs is of benefit to all children's learning, health and behaviour but is particularly important for children from disadvantaged backgrounds (refer to Priority Area 5). This provides a strong rationale for government to fully fund the provision of kindergarten leading to significant ongoing benefits for children, families and for the wider community.

Victoria is ahead of the rest of the states and territories in terms of providing access to kindergarten programs for three-year-old children. Victoria's unique program of kindergarten for three-year-old children has broad reach and is held in high regard in the community. Starting earlier and spending more hours at kindergarten can significantly improve school success and has benefits into adulthood, particularly for disadvantaged children. Recognising this, the Victorian Government provides Early Start Kindergarten to three-year-old Aboriginal and Torres Strait Islander children and children known to child protection.

Following the introduction of Universal Access in 2013, an estimated 94 percent of Victorian services now provide 15 hours of kindergarten, delivered by a university trained early childhood teacher, to four-year-old children for 40 weeks in the year before school. This excellent result has been achieved by a great deal of hard work at both government and sector level. It is essential to capitalise on the significant investment already made by successive governments to place Victoria in this leadership position. Fully funding the provision of kindergarten to three-year-old and four-year-old children will take us a step closer to ensuring that kindergarten is truly accessible to all children, and to preparing our future generation with the appropriate foundation skills to face the challenges of the future.

ELAA recognises that this priority area requires the continued support of the Commonwealth Government and the States. We therefore call upon the Victorian and Commonwealth Governments to work in partnership to demonstrate a lasting commitment to Universal Access.

Infrastructure needs

At a practical level, investment in bricks and mortar is essential to ensure that there is adequate and appropriate infrastructure to manage the increased demand that will be generated by a fully funded and universally accessible kindergarten program for all three and four-year-old children.

Capital funding provided by the State Government in the past two budget cycles has enabled the building and upgrading of numerous children's centres and kindergartens. This funding has been essential to enable services to manage increased hours of program delivery under Universal Access and to maintain their unique three-year-old kindergarten programs. In some communities, particularly in the growth corridors of Melbourne, there is still a shortfall of three-year-old and four-year-old kindergarten places in a variety of early childhood settings. It is essential that investment continue to be made for required infrastructure.

THE ASK ➔

ELAA calls for:

- full funding for 15 hours of four-year-old kindergarten for all Victorian children in the year before school
- full funding for a minimum of 5 hours of three-year-old kindergarten for all Victorian children, including those from disadvantaged families
- the State Government to continue to work in partnership with the Commonwealth Government to support the implementation of Universal Access across Victoria
- funding for infrastructure required for the provision of four-year-old and three-year-old kindergarten places in all early childhood settings according to community need.

Priority Areas For Investment *continued*

PRIORITY AREA

2

NQF implementation support

Under the National Quality Framework, early childhood services are working hard to meet the National Quality Standard which sets a new and higher benchmark for education and care across Australia. By 30 September 2013, 1030 of the 3786 approved Victorian services – or 27% – had been assessed and rated. Each service received a rating for each of the seven quality areas, 18 standards and 58 elements that make up the quality standard, as well as an overall service rating. The overall service ratings were:

- less than 1% (2) rated Significant Improvement Required
- 24% (243) rated as Working Towards the NQF
- 51% (521) rated as Meeting the NQF and
- 26% (264) rated as Exceeding the NQF

(ACECQA NQF Snapshot Q 3, 2013)

While it is clear that the majority of Victorian services assessed to date are performing at or above the required level, 73% of services are still to be assessed. Even at current levels of performance, nearly a quarter of these services – around 691 – will require assistance to lift their performance from an assessment of Working Towards NQF; and for those services assessed as Significant Improvement Required more intensive support will be required.

Experience shows that lifting the quality of a service from a low base requires a great deal of time and effort and the allocation of appropriate resources to support services. The level and intensity of support required is demonstrated by the resources made available to transition childcare services from the old NCAC to the current NQS quality processes. Over the past 9 years, the Inclusion and Professional Support Program operating in Victoria has been allocated around \$3 million per year to support approximately 2,600 child care services.

In ELAA's 2012 annual member survey 84% of respondents attributed significant increases in workload during 2012 to the requirements of implementing the NQF and UA in their kindergarten services. These requirements place increasing demands, particularly on voluntary committees of management, and extra assistance is needed to enable them to deliver higher quality programs to their children.

Recognising the need for assistance, the Victorian Government has provided support to kindergarten committees of management, cluster managers and educators in the past two budget cycles, to implement the NQF including through the development of kits to support committees. ELAA recommends that the government now undertake a thorough assessment of support needs in relation to the implementation of the NQF and follow this up with appropriate funding.

THE ASK ➔

To ensure that all services are able to provide high quality programs for children, ELAA recommends that the Government:

- undertake a thorough assessment of the support needs of services to implement the NQF
- based on this assessment provide appropriate funding to resource and support committees of management, clusters and educators to ensure the delivery of programs that meet or exceed the National Quality Standard.

Priority Areas For Investment *continued*

PRIORITY AREA

3

ECEC workforce

Increasing levels of knowledge and understanding about the significance of the early years to children's longer term development and outcomes has led the shift to a more professional approach to the delivery of education and care. Higher level policies such as the NQF and UA – and the more exacting National Quality Standard – requires a more professionalised workforce with commensurate qualifications and skills. The research shows that a workforce with higher level qualifications and increased numbers of educators working with children will significantly improve the quality of early learning programs. While both are key components of the national reform agenda, services continue to face some key workforce challenges.

Qualifications, ratios and wages

Higher level qualifications are central to improving the quality of educator interactions with children, yet many services are still experiencing difficulty recruiting appropriately qualified staff. This can be particularly difficult in some locations, including in rural and regional areas and has led to a number of services seeking exemptions. This issue is likely to intensify from January 2014 when new minimum qualification requirements take effect. Continuing support will be required to assist early childhood educator's to upgrade their qualifications to meet the NQF requirements.

The professionalisation of the sector requires appropriate professional and salary structures. Higher level qualifications entail increased remuneration for educators. The recent sign off of the teacher's agreement has created an expectation for pay parity in the early childhood education and care sector. This has particular significance for the long day care sector where pay and conditions have traditionally been lower than for the kindergarten sector. Without an increase in government funding, the upward pressure that this expectation puts on the wages bill for services has the potential for either an increase in fees for families or a reduction in services for children.

The outcomes of the Pay Equity case lodged by the Australian Education Union and United Voice, currently before the full bench of the Fair Work Commission will also have a significant impact on the awards that operate within the early learning sector, and consequently the wage structure.

There is a need for a comprehensive workforce strategy to attract and retain suitably qualified early childhood

professionals to the sector. The strategy would need to address some of the key issues including:

- pay and conditions, as determined through enterprise bargaining
- actively promoting early childhood as an attractive long term career option for staff at every level
- accreditation by the Victorian Institute of Teaching.

Many kindergartens and childcare services in Victoria have already increased the ratio of educators to children ahead of the 2016 requirement to have 1 educator for every 11 children aged 3–5 years. A recent report by Australian Community Children's Services found that 83% of the community children's services surveyed were meeting or exceeding this target, three years ahead of schedule (ACCS, p. 18). Many kindergartens are also well ahead of schedule.

Training providers

The need for higher level qualifications and increased numbers of educators has seen a rise in poor quality training providers and inadequately trained staff. Anecdotally this has worsened in recent years and there is now an urgent need to develop standards to regulate RTOs and to ensure they are producing highly trained educators capable of delivering high quality early learning programs to children.

THE ASK →

To ensure all services have access to suitably qualified educators ELAA calls on the Government to:

- develop and implement a workforce strategy to attract and retain suitably qualified educators to the early childhood sector
- continue to provide support to upgrade the qualifications of educators
- fully fund the costs associated with employing educators with higher level qualifications, ensuring that these costs are not passed on to families
- develop standards for Registered Training Organisations to ensure they produce staff appropriately trained for work in services
- incorporate early childhood professionals under the auspices of the Victorian Institute of Teaching.

Priority Areas For Investment *continued*

PRIORITY
AREA

4

Funding model review

ELAA notes that the Deloitte Access Economics Kindergarten Funding Model Review is soon to be completed and delivered to Government. Through the consultation process, the sector has provided information and feedback to enable the development, not only of a new funding model, but of a new vision that incorporates the quality environment within which kindergartens now operate.

a) Kindergarten Cluster Management (KCM)

Since its introduction in 2003/04, Kindergarten Cluster Management has been evolving, responding to the changing policy environment and the increasing expectations and responsibilities placed on them for the delivery of a high quality service. In the new policy and quality environment, Kindergarten Cluster Managers undertake a more holistic and complex role than the traditional administrative functions for which they were established and funded a decade ago. Cluster Managers are increasingly engaged in activities beyond the original scope of their establishment and funding with responsibilities including service compliance, transparency and accountability, engagement with the community, employee management and support, financial management, educational leadership, professional development and training. In short, the focus of KCM has moved beyond providing management functions to a kindergarten/service to providing better outcomes for children through quality services. It is a role which requires increased sector knowledge and management skills, and yet the funding model and vision remain largely unchanged since 2003.

ELAA believes it is time for the government to articulate a new longer term vision for KCM, which takes into account and appropriately reflects the enhanced roles and responsibilities of KCMs. Along with the articulation of such a vision, there is also a need to ensure that cluster managers are resourced and supported appropriately to deliver on this vision, and to grow and develop their services.

ELAA has been advocating for a review of KCM funding since 2007/2008 and was instrumental in initiating the recent review. This review has been in progress for the past two years during which time KCM's have provided the consultants with extensive information about their clusters, including models, pricing options, costs, workload etc. ELAA understands that the preliminary findings of the Deloitte Access Economics review of Kindergarten Cluster Management provides a clear picture of the true cost of operating a KCM service, which ELAA believes is well above the current funding level.

ELAA recommends that the government support and implement the full costs of providing cluster management service as identified by the review, as a matter of urgency.

b) Per capita funding

Per capita funding provided by government to services to meet the operational costs of delivering an early learning program have historically been funded on a 65:35 basis, with 35% of costs being met by services through parent fees and/or fundraising activities.

In many instances, the current funding model does not even meet the wages cost of employees at the service. The National Quality Framework and Universal Access have added to these costs with increased qualification requirements, improved educator to child ratios, and increased program hours, all of which provide higher quality learning programs for children. Additional regulatory and compliance requirements further drive up costs for services. In ELAA's 2012 member survey, services indicated that delivering higher quality programs requires an enormous amount of work, additional staff hours, extra resources and financial support for implementation. Given the current funding model was developed in 1994 is not surprising that it fails to meet the needs of a radically reformed sector. To ensure service viability, increased fees and fundraising are the usual ways in which kindergartens make up funding shortfalls. Kindergartens' ability to raise additional funds from fundraising activities is hampered by the competition for dollars amongst the various not-for-profit organisations/causes within a community, and has

Priority Areas For Investment *continued*

PRIORITY
AREA

4

Funding model review *continued*

also been impacted in recent years by the global financial crisis. An increase in fees places an additional burden on parents and can make kindergarten inaccessible for some of the more disadvantaged families. A realistic funding model that takes into account the actual costs of staffing and service operation would alleviate this pressure.

c) Rural funding

The delivery of services in rural areas comes with its own set of challenges, including smaller and often fluctuating enrolments and problems with the planning cycle which can lead to funding uncertainty. The rural funding supplement provided by government has been essential to ensure ongoing service delivery in many rural communities and must continue to be maintained. To ensure that services provided in rural areas continue to be viable, it is important that the government urgently review the following:

- inconsistencies in the classification of kindergartens, which determines their eligibility to access the rural funding supplement. For instance, there are examples of kindergarten services that have been classified as metropolitan even though they are operating on the same site as a school that is classified as rural. There are other instances of landlocked services in rural locations that have been classified metropolitan. There clearly needs to be a rethink about the definition of a “rural” service
- unit price for the provision of service. This has been inadequate for a long time and needs to be urgently revised to reflect the true cost of providing services in rural settings.

Some smaller rural services are facing significant operating deficits which require subsidising via fundraising (an additional pressure on parents) in order to remain viable. For these services there needs to be ‘safety net’ funding to meet the minimum costs associated with providing a program including educator costs and appropriate non-salary expenses.

Other pressures on rural services include workforce issues outlined in Priority Area 3, particularly challenges around staff recruitment and retention. A timely response to these issues is necessary to enable some rural services to remain financially viable in the near future.

THE ASK ➔

ELAA calls on the government to:

- develop a longer term vision for Kindergarten Cluster Management and an appropriate funding model which delivers consistent high quality outcomes for children, and compensates clusters for the full cost of providing services
- review current per capita rates and develop a funding model that takes account of the actual costs of staffing and enhanced service operation
- support rural services by:
 - developing a consistent definition of a “rural” service
 - providing a rural funding supplement with a revised unit price reflecting the true cost of service provision
 - providing ‘safety net’ funding to very small services to meet the minimum cost of providing a program.

Priority Areas For Investment *continued*

PRIORITY AREA

5

Inclusion support

Children with disabilities and additional needs are amongst the most vulnerable children in our community and often face barriers to participation in daily life. State and Commonwealth Laws prohibit discrimination and promote inclusion and equity and this is reinforced in key early childhood legislation, policies, frameworks and standards. Research demonstrates that high quality early learning programs are “just as important for young children with disabilities or developmental delays as they are for other children and the learning environments that children experience outside the home are just as important for their development as their home environments” (Moore, 2012, p. 19). And yet many early childhood services struggle to include children with a disability and those with additional needs in a meaningful way.

To ensure early childhood services are genuinely inclusive and able to support the participation of all children requires:

- pre-service training for educators
- regular professional development
- support staff in centres and
- the assistance of early childhood intervention services.

The development and roll out of the National Disability Insurance Scheme and the Victorian State Disability Plan 2013–2016 promise considerable reforms to early childhood intervention services. As these reforms are rolled out, it is important to maintain the unique Victorian model which enables children to access universal early childhood programs and specialist supports as required. Early Childhood Intervention Australia (Victorian Chapter) has identified the specifics required to sustain this model including:

- increased investment and redevelopment of the Kindergarten Inclusion Support and Preschool Field Officer programs to ensure that all children with a disability and developmental delay are adequately supported to fully participate in kindergarten programs. This includes broadening eligibility criteria, increased funding per child and training programs to build capacity in kindergarten settings
- provision of support to families on the waiting list for an early childhood intervention place to provide reassurance, reduce isolation and encourage connections.

Innovative responses

Innovative responses are often required to fully include children with disabilities and developmental delays in universal early childhood services. In 2013 ELAA and ECIA (Vic) partnered to bring Professor Mary Louise Hemmeter to Australia as keynote speaker at the Early Childhood Education Conference. Professor Hemmeter is an internationally renowned expert in effective instruction for young children with and without disabilities and in supporting teachers to address young children’s challenging behavior. The Teaching Pyramid, developed by Professor Hemmeter, integrates support for all children in early childhood education and care services with graduated additional support for those in greatest need.

ELAA recommends that the Government support and resource the ECIA (Vic) proposal to enable Victorian field trials of the Teaching Pyramid in partnership with a range of peak bodies, services, Government and communities with a view to better resourcing and supporting teachers to include children of all abilities in early year’s programs.

THE ASK ➔

To ensure all children, including children with disabilities and additional needs are able to fully participate in early childhood services ELAA recommends the Government:

- resource and support early childhood services to fully include all children, including children with a disability and those with additional needs
- ensure early childhood intervention services are accessible to all children who require them by funding Early Childhood Intervention Australia (Victorian Chapter) priorities, including: increased investment and redevelopment of the Kindergarten Inclusion Support and Preschool Field Officer programs and support to families on waiting lists
- support and resource ECIA (Vic) to lead Victorian field trials of the Teaching Pyramid in partnership with a range of peak bodies, services, Government and communities.

Priority Areas For Investment *continued*

PRIORITY
AREA

6

Vulnerable children and families

Sector reform

Victoria's Vulnerable Children – Our Shared Responsibility Strategy acknowledges “the powerful role that ...early childhood development services including kindergarten... can play in supporting vulnerable children and families” (Victorian Government, 2013, p. 7). This strategy identifies participation in education (early childhood and school) as a key way to support families, including vulnerable families, within their communities, enabling early intervention and prevention strategies and ensuring “vulnerable children are kept safe from harm and have every opportunity to succeed in life”(Victorian Government, 2013, p. 1).

Crucially though, vulnerable children and families have lower levels of participation in universal services than other members of the community. Designed to engage Aboriginal and Torres Strait Islander children and children known to child protection, initiatives such as the Early Start Kindergarten program and the Best Start model have not completely overcome all barriers to participation. Barriers include a lack of available places in services and/or waiting lists, the inability of family support services to identify vulnerable families, extra costs not covered by per capita funding and the fee subsidy, tight eligibility requirements, and the need for additional supports such as transportation to and from services.

In the past 12 months, the Victorian government and the community sector have been working together to improve access to services for vulnerable children and families. The Service Sector Reform project explores new ways of creating a more connected service delivery system to improve the lives of disadvantaged Victorians, including increased collaboration. Some of the key themes in Professor Peter Shergold’s report include the need for improved collaboration and effective partnership arrangements and the need to address the underlying causes of disadvantage, vulnerability and social exclusion. It is essential to maintain the momentum generated by *Victoria's Vulnerable Children – Our Shared Responsibility Strategy* and the Service Sector Reform project and to “ensure high quality learning is accessible and affordable for our most vulnerable children and families to give them the best possible chance to succeed at school and beyond” (Victorian Government, 2013, p. 8).

Data collection

Current data collection indicates a high percentage of four-year-old Victorian children are enrolled in preschool programs in the year before school. However this data does not provide a clear picture of ongoing participation as it does not record program attendance over time. Data from ABS (ABS, 2013) *Preschool Education Australia* however suggests that only 95% of enrolled four-year-old children may actually attend the program. Anecdotally, ELAA understands that some Victorian services have to work hard to encourage ongoing attendance in early learning programs post enrolment. For some services this can mean the provision of additional support to families including transporting children to and from the service.

ELAA recommends that the State Government gather attendance data as well as enrolment data to provide a more complete picture of participation rates for future planning.

Vulnerable Children Fund

The government’s commitment to Universal Access is a commitment to ensure that ALL children are able to engage in high quality early learning programs in the year before school. Providing vulnerable children and families with the services and supports they need is more complex than simply linking them to universal services. As Professor Peter Shergold’s paper points out, it is essential to address the underlying causes of disadvantage to ensure ongoing engagement. ELAA’s experience with the Early Childhood Education Foundation suggests there is an increasing need for financial support for vulnerable children and families.

Children of asylum seekers in detention facilities or in community detention and those from low income families who are ineligible for the kindergarten fee subsidy are among the more vulnerable children who have difficulty accessing early learning programs. To address this inequity, ELAA proposes the establishment of a Vulnerable Children’s Fund based on the Early Childhood Education Foundation model. This fund would:

- provide immediate financial assistance to enable access to existing early learning programs for vulnerable children

Priority Areas For Investment *continued*

PRIORITY
AREA

6

Vulnerable children and families *continued*

- provide funding for intensive support where this is required to ensure ongoing engagement with early learning programs
- enable the development and delivery of targeted early learning programs where this is necessary (e.g. for the children of asylum seekers who are in detention facilities).

THE ASK ➔

To ensure that vulnerable children and families are able to participate in early learning programs to enhance their life chances ELAA recommends the Government:

- implement the recommendations of the Cummins Panel contained in the *Victoria's Vulnerable Children – Our Shared Responsibility Strategy* and the *Service Sector Reform* project undertaken by Professor Peter Shergold
- gather attendance data as well as enrolment data to provide a more complete picture of participation rates to support future planning
- establish a Vulnerable Children's Fund with an initial quantum of \$10 million, to support the children of asylum seekers, those from low income families and other vulnerable children to access and engage with appropriate early learning programs.

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