

EARLY CHILDHOOD EDUCATION

In 2015, there were 96,184 children attending a preschool program before starting full-time schooling – representing 99.0 per cent of all 4 and 5 year old children in NSW.

In 2015, 73% of NSW education and care services were assessed and rated against the

NATIONAL QUALITY STANDARD



60.3% OF THESE were meeting or exceeding the standard.

According to the AEDC **MORE THAN**



OF NSW CHILDREN WERE DEVELOPMENTALLY ON TRACK on entering school in 2015.

IT COSTS MORE TO ATTEND PRESCHOOL IN NSW

In 2014, the median cost of a preschool program in NSW per hour was \$3.60*.



*After subsidies.



OF NSW WORKERS delivering preschool programs in 2014 have

COMPLETED A UNIVERSITY DEGREE

2. Early childhood education

Early childhood education (ECE) services are provided across a range of settings: centre-based services (including long day care, preschool and occasional care), family day care services, mobile services, and outside school hours care services.

A quality preschool program is defined as a structured, play-based learning program delivered by a qualified teacher, aimed at children in the two years before they commence full-time schooling. In NSW, preschool education is provided in non-government preschools, government preschools, and long day care (LDC) centres.

Around two thirds of children in NSW attend an ECE program delivered in a long day care setting. The Commonwealth has primary responsibility for these services and invests significant funding to support families access child care through the Child Care Benefit and Child Care Rebate. The State has primary responsibility for supporting early childhood education and funding community based preschools and government run preschools. These services are not eligible for Commonwealth child care subsidies.

Data issues

Given that ECE services are delivered across multiple settings, data is fragmented in this sector, with separate data collections and definitions developed for various reporting purposes. This has contributed to difficulties in establishing comparable data sets for trend analysis. In recent years the Commonwealth Government and NSW Government have collaborated to improve measurement in the sector, which increased the capture of LDC data by almost 80 per cent. However, more work needs to be done before trend analysis can be conducted. Caution should also be used when comparing similar indicators across different sources, as varied results may reflect differences in the counting methodologies used.

Children enrolled in a preschool program

Why is it important?

The early years of life have a profound impact on children's future cognitive, social, emotional and physical development (COAG, 2009). It is well documented that high quality ECE in the year before full-time schooling can help children develop skills that will assist them to transition to school and gain the skills needed to succeed later in life (AIHW, 2012). Expanding access to quality preschool programs can help improve learning outcomes for children and boost the state's human capital (Heckman, 2013). This is particularly important for children from disadvantaged backgrounds.

In Australia, quality preschool programs comprise of structured play-based learning delivered by a qualified teacher. Children aged 3 to 6 years may be enrolled in a preschool program, although programs are typically delivered to 4 and 5 year olds, on the basis that they will be starting school the following year. In NSW, preschool programs are provided in non-government preschools, government preschools, and through LDC services. Measuring preschool enrolments assists with tracking progress towards the policy goal of achieving universal access to preschool during the year before a child starts school.

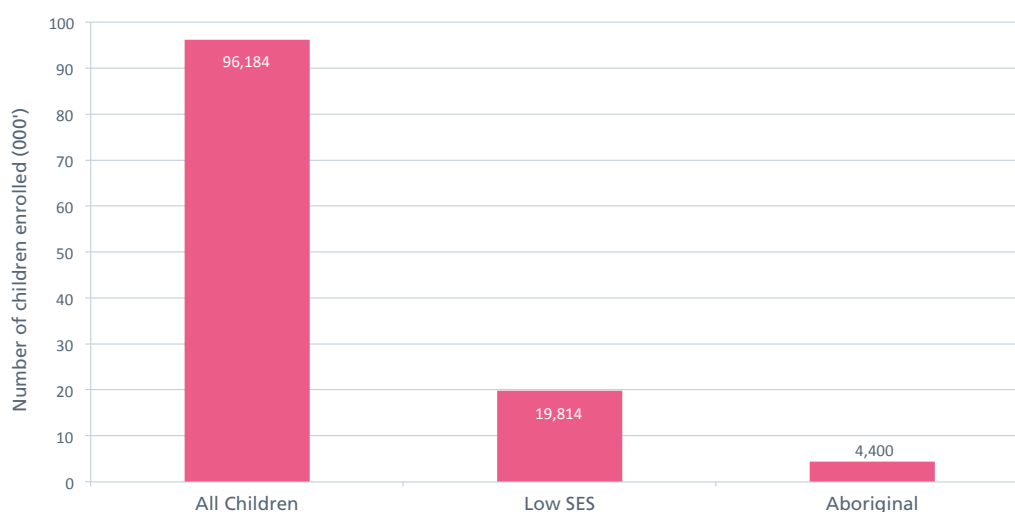
What does the data tell us?

As at 2015, there were 96,184 children enrolled in a preschool program before starting full-time schooling – representing an estimated 99.0 per cent of children aged between 4 and 5 years old in NSW⁸. Of that total number, 4,400 children were Aboriginal and 19,814 were from low SES⁹ family backgrounds. These numbers establish a benchmark for future monitoring of preschool enrolment among Aboriginal and disadvantaged children to ensure that they have equitable access to preschool before starting school. Currently, children from low SES and Aboriginal backgrounds remain underrepresented in preschool enrolments compared to all 4 and 5 year olds in NSW.

Figure 2.1:

Number of 4 and 5 year olds enrolled in preschool, NSW, 2015

Source: Australian Bureau of Statistics Preschool Education Australia, 2015



Note: The above categories are not mutually exclusive, with students able to be classified in more than one category. Due to recent changes in the way this data is collected, only 2015 figures have been included in this report¹⁰.

Australian Early Development Census outcomes for children in first year of school

Why is it important?

The success of transitioning to school can have lasting implications on a child's development, through to their academic and occupational success. Research has shown that investing resources in ECE has significant impacts on children's behaviour, learning, and wellbeing, as they progress into school¹¹. There is a need to identify ways to promote school readiness, and monitor whether high quality ECE in the years before full-time schooling can help children develop capabilities that will assist them to succeed¹².

The Australian Early Development Census (AEDC) is a national measure of children's development as they enter their first year of full-time schooling. Data for the AEDC is collected every three years, starting from 2009. It operates as a population-based measure, providing evidence to guide planning and service provision to ensure children are supported through their early years, school years and beyond. The AEDC assesses against five domains: stating that positive learning is correlated with having higher levels of social competence, physical health, emotional maturity, basic communication and language and cognitive skills.

⁸ Derived from Australian Demographic Statistics, June 2015 (cat. no. 3101.0). The number of children aged 4 to 5 years enrolled in preschool as a proportion of children aged 4 years. This method is currently aligned with the 2015 NP UAECE.

⁹ Based on SEIFA Quintile 1 (IRSD).

¹⁰ The NSW Department of Education in collaboration with the Commonwealth Department of Education addressed long-standing concerns about under-reporting of preschool enrolments in long day care. Following this data improvement initiative, reporting increased substantially in the 2015 Child Care Management System census.

¹¹ Lifetime Effects: High Scope Perry Preschool Study Through Age 40, 2005

¹² NSW Transition to School Statement <http://www.dec.nsw.gov.au/what-we-offer/regulation-and-accreditation/early-childhood-education-care/funding/funding-projects/transition-to-school>

What does the data tell us?

The vast majority of children in NSW start school with the skills they need to be successful and functioning learners, with over 75 per cent of children assessed to be developmentally on track across each of the five AEDC domains in 2015. Children in NSW have consistently performed well in the language and cognitive skills domain in relation to other domains, with the proportion assessed as being developmentally on track increasing from 84.6 per cent in 2009 to 87.9 per cent in 2015. Of note, a greater proportion of NSW children were assessed as being developmentally on track compared to the Australian average across all of the five AEDC domains in 2015.

Conversely, the communication skills and general knowledge domain has routinely shown the poorer results than other domains, with higher numbers of students considered developmentally at risk. In 2015, 24.2 per cent of children were considered to be at risk or vulnerable in this domain, which measures skills such as listening and speaking, and the appropriate level of general knowledge for a given age.

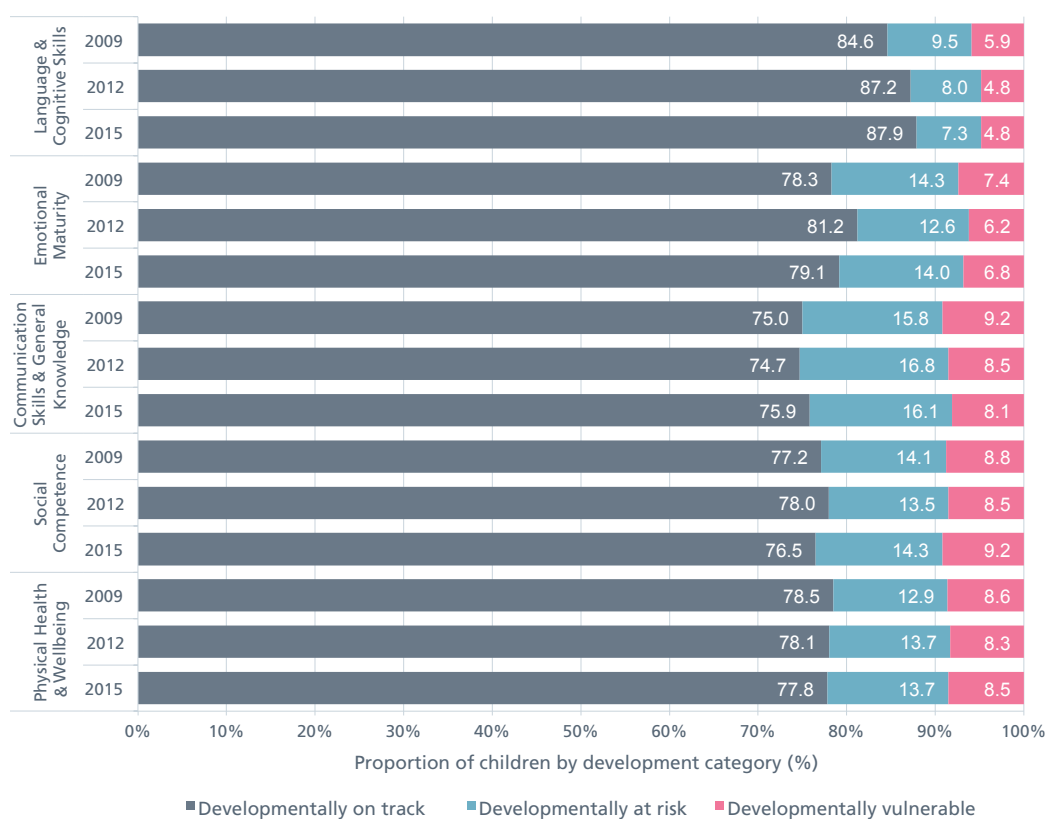
For more information on the AEDC categories and domains, please see:

<https://www.aedc.gov.au/resources/detail/about-the-aedc-domains>

Figure 2.2:

Proportion of children in first year of school by development category and AEDC domain, NSW, 2009, 2012 and 2015

Source: Australian Government 2016, Snapshot of Early Childhood Development in Australia 2015



Note: When the first AEDC was undertaken in 2009, a series of national benchmarks were established, providing a reference point with which later results could be compared. Children falling below the 10th percentile were considered 'developmentally vulnerable', children falling between the 10th and 25th percentile were considered 'developmentally at risk' and all other children were considered to be 'on track'.

Proportion of preschool programs delivered by degree qualified early childhood teachers

Why is it important?

International research (Mathers et al., 2014) continually shows the positive impact well-qualified teachers have working in early childhood settings, with university-qualified educators shown to improve outcomes for young children. Qualified teachers have a greater understanding of child development, and the ability to lead activities that inspire children and help them learn and develop (ACECQA¹³, 2016).

As such, the National Partnership Agreement on Universal Access to Early Childhood Education¹⁴ aims to provide universal access to quality preschool programs with a focus on improved participation of vulnerable and disadvantaged children. Whilst outcomes against benchmarks vary across states, the agreement seeks to have preschool programs delivered by four-year university trained early childhood teachers. This indicator sets the foundation to track progress as services in NSW move towards meeting these targets.

Early childhood teacher requirements for centre based services are prescribed under the National Quality Framework. The number of teachers, or the minimum amount of time a service is required to have access to an early childhood teacher, is dependent on the number of children attending a service. NSW has retained its pre-NQF requirements for early childhood teachers in services with 30 or more children in attendance as these provisions are of a higher standard than those introduced under the NQF. For services with less than 30 children, national requirements for access to an early childhood teacher for a specified percentage of time that the service is operating apply.

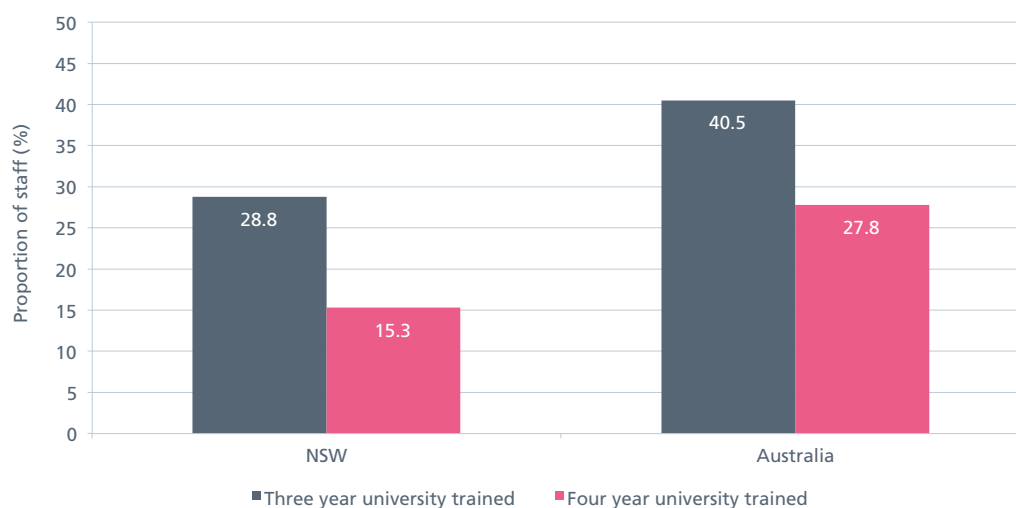
What does the data tell us?

In 2014, 28.8 per cent of teachers delivering preschool programs in NSW were at least three years university trained while 15.3 per cent were at least four years university trained and early childhood qualified. However, these figures are lower than the current national average, where 40.5 per cent of preschool teachers had completed a three year degree and 27.8 per cent had completed four years of university training.

Figure 2.3:

Teachers delivering preschool programs who are university trained and early childhood qualified, NSW and Australia, 2014

Source: Report on Government Services 2016, vol. B Early childhood education, Productivity Commission, Canberra, Table 3A.51



¹³ Australian Children's Education & Care Quality Authority.

¹⁴ <https://www.education.gov.au/universal-access-early-childhood-education>

Approved services by assessment and quality rating

Why is it important?

Research demonstrates the contributions high-quality early care and preschool education can make towards children's language and cognitive development during the early years (EPPSE¹⁵, 2015). The effective development of children's cognitive skills and social competency helps prepare for a successful transition to school.

The National Quality Standard (NQS) is a key aspect of the National Quality Framework (NQF) and was introduced in 2012 to provide consistent information about the quality of ECE services. The standard consists of seven dimensions of quality against which services can be assessed and rated. This promotes improvement towards excellence, and enables the identification of services that may require more support in improving the quality of their service. Given that the NQS is a relatively recent initiative, it is important to monitor the proportion of services which have undergone the assessment process, as well as the outcome of assessments.

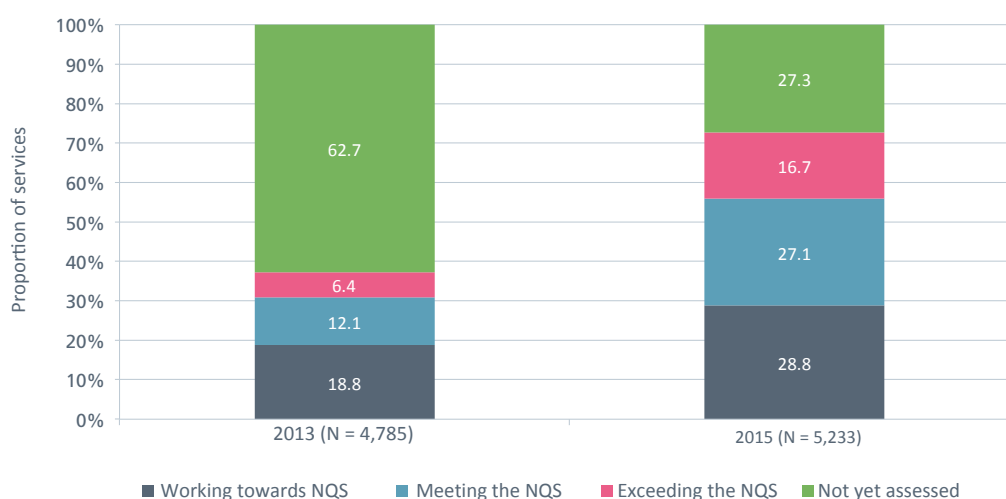
What does the data tell us?

Data published quarterly by the Australian Children's Education and Care Quality Authority (ACECQA) show that as of December 2015, 73.0 per cent of approved NSW services¹⁶ had been assessed against the NQS. This is an improvement on December 2013, where only 37.3 per cent of services had received a quality rating. Of the services rated, 60.3 per cent were meeting or exceeding the NQS as of December 2015, up from 49.6 per cent in December 2013.

Figure 2.4:

Proportion of services by assessment and quality rating, NSW, as of December 2013 and 2015

Source: Australian Children's Education and Care Quality Authority (ACECQA) NQF Snapshot 2014 Q4, Table 7 and NQF Snapshot 2015 Q4, Table 6



Note: N = total number of services in NSW. Given the small numbers for certain categories, services in the "significant improvement required" category have been incorporated into "working towards NQS", and services in the "excellent" category into "exceeding the NQS".

The performance of ECE services in NSW differs substantially across different aspects of quality. Assessed services in 2015 are particularly good at building relationships with children and partnerships with families and communities, with 30-32 per cent of services exceeding the NQS and 87-90 per cent meeting or exceeding. However, a quarter of assessed NSW services were assessed as working towards the standard in children's health and safety, and 29.0 per cent assessed as working towards the NQS for educational program and practice. This warrants continued monitoring given the importance of these dimensions.

For more information on the NQS assessment and ratings, please see: <http://www.acecqa.gov.au/national-quality-framework/assessments-and-ratings>

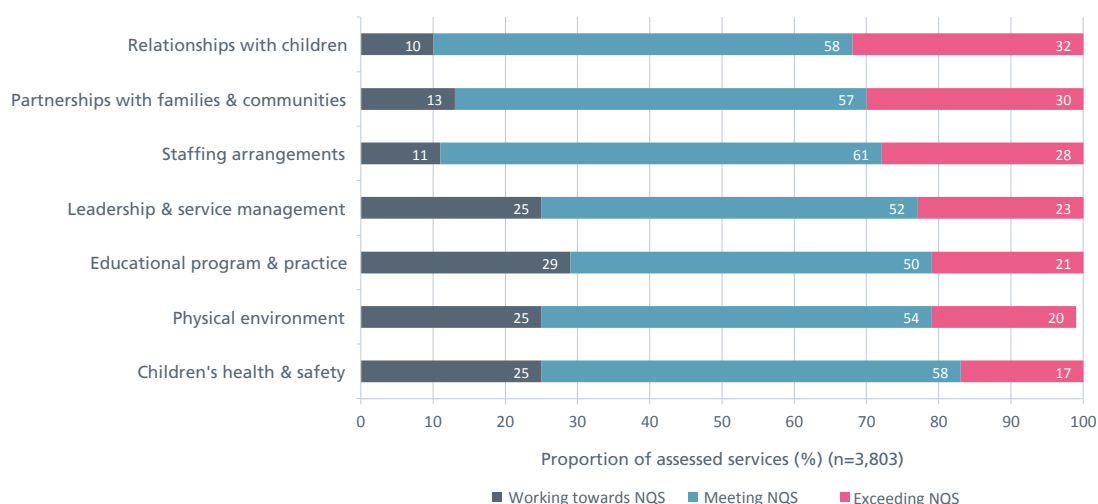
¹⁵ Effective pre-school, primary and secondary education project, UK Government.

¹⁶ Services include most long day care, family day care, preschool/kindergarten and outside schools hours care services.

Figure 2.5:

Proportion of assessed NSW services with a quality rating, by quality area, December 2015

Source: Australian Children's Education and Care Quality Authority (ACECQA) 2015, NQF Snapshot Q4, Figure 21



Note: As of December 2015, 73.0 per cent of approved NSW ECE services¹⁷ had been assessed.

Expenses (after subsidies) for preschool programs

Why is it important?

Affordability is one aspect that supports access to a quality preschool program. The financial cost associated with preschool education remains a key component for participation, especially for children from more disadvantaged backgrounds. Given that preschool is an optional service in NSW and across Australia, it is important that costs are affordable to encourage universal participation. Higher costs may impact on a family's decision to enrol their child into a preschool program, and limit the number of hours the child will attend.

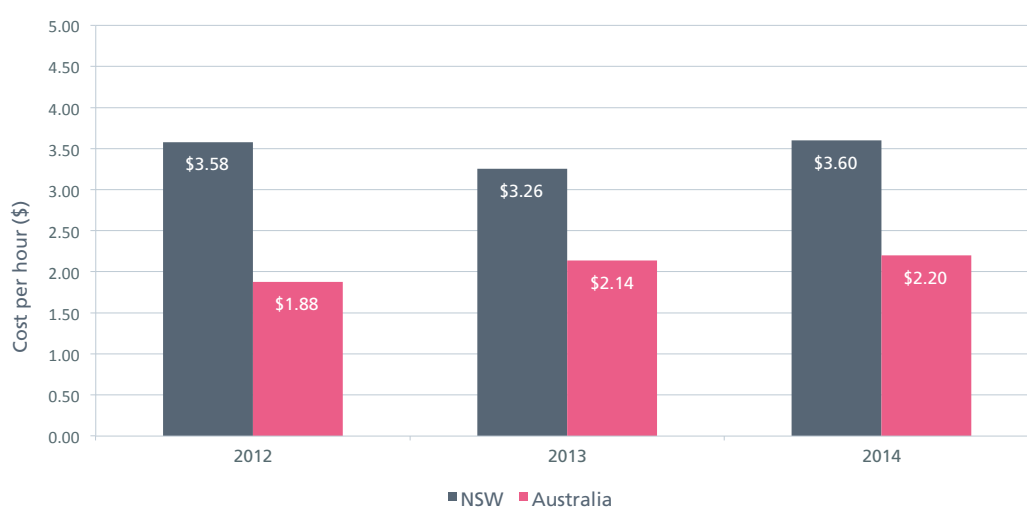
What does the data tell us?

In 2014 the median hourly cost for a preschool program per child in NSW (after subsidies) was \$3.60 – similar to 2012 levels after adjusting for inflation. The fall in costs during 2013 was the result of a one-off fee reduction initiative by the NSW Government. The hourly cost in NSW was consistently higher than the Australian average, which increased from \$1.88 to \$2.20 over the same period. As at 2014, the median cost of preschool in NSW was 63.6 per cent higher than the Australian average, which is in part a result of preschool being free in some states and territories.

Figure 2.6:

Median hourly cost of a preschool program (after subsidies) per child enrolled (2014-15 dollars) aged 4 and 5 years, NSW and Australia, 2012-14

Source: Report on Government Services 2016, vol. B Early childhood education, Productivity Commission, Canberra, Table 3A.41



Note: Preschool programs can be delivered through a variety of settings, such as stand-alone preschool services, preschools located as part of a school, and preschools within a long day care centre. The median hourly cost of preschool is adjusted for inflation and reflects the price of access to a preschool program across all of these settings.

¹⁷ Services include most long day care, family day care, preschool/kindergarten and outside schools hours care services.