

Submission to the Productivity Commission

Inquiry into the National Education Evidence Base

May 2016



Recommendations

RECOMMENDATION 1

That the scope of the evidence base include data on children younger than 4 years old, as well as children receiving an early learning program via 'out of scope' early childhood education and care services.

RECOMMENDATION 2

That the format and accessibility of the national education evidence base facilitate longitudinal investigation of the longer-term outcomes of early childhood education and care.

RECOMMENDATION 3

That the national education evidence base include nationally consistent terminology regarding definitions, qualifications and so on.

RECOMMENDATION 4

That teacher accreditation data be included in the list of existing education and training data collections for the national education evidence base.

RECOMMENDATION 5

That improved early childhood, education and training sector data sharing arrangements across and within jurisdictions be an urgent priority for Federal and State/Territory Governments to enhance the national education evidence base.

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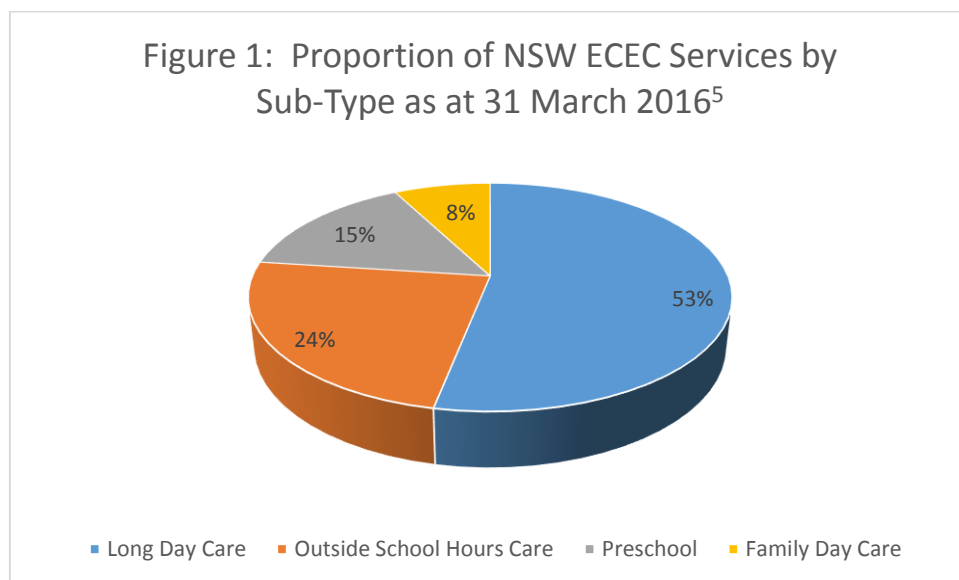
1. Introduction

Australian Childcare Alliance New South Wales (ACA NSW) is the peak body for privately owned early childhood education and care (ECEC) services in NSW. We provide advocacy, policy and regulatory support and advice; member services; and professional development for our members across the state. ACA NSW members are predominantly privately owned long day care services, with approximately 65% of members metropolitan-based.

ACA NSW welcomes the opportunity to provide a submission in response to the Productivity Commission Issues Paper on the *National Education Evidence Base*. It should be noted that ACA NSW (under our former name of Child Care New South Wales) provided a detailed submission¹ in response to the *Productivity Commission Inquiry into Childcare and Early Childhood Learning*² (as did our national body the Australian Childcare Alliance), which addresses some of the themes raised in the discussion paper.

2. Early Childhood Education and Care in NSW

As at 31 March 2016, there were 5301 early childhood education and care services in NSW, of which 4893 are centre-based services (long day care, preschool, outside school hours care). Of these 5301 services, 53% (2816) are long day care services³ (see Figure 1 below). As at the June quarter 2015, there were 413 410 children across 284 390 families using “approved child care” in NSW, 220 620 (53%) of whom are in long day care⁴. These statistics highlight the importance of capturing the long day care sector in terms of data collection pertaining to the national education evidence base.



At least 46% of all long day care services in NSW are privately owned and operated (noting that a further 30% of long day care services in NSW are of unknown management type), as are 71% of family day care services; 37% of vacation care services; 40% of outside school hours care services⁶, demonstrating the importance and relevance of the private sector in ECEC in NSW, and

¹ Child Care New South Wales (2014) *Submission to Productivity Commission Inquiry into Childcare and Early Childhood Learning* http://pc.gov.au/_data/assets/pdf_file/0005/134096/sub333-childcare.pdf

² <http://www.pc.gov.au/inquiries/completed/childcare/report>

³ ACECQA (2016) NQF Snapshot Q1 2016 http://files.acecqa.gov.au/files/Reports/2015/NQF_Snapshot_Q1_2016_May.pdf

⁴ Department of Social Services (2016) *Early Childhood and Child Care in Summary March Quarter 2015*

⁵ ACECQA (2016) NQF Snapshot Q1 2016 http://files.acecqa.gov.au/files/Reports/2015/NQF_Snapshot_Q1_2016_May.pdf

⁶ Department of Social Services (2016) *Early Childhood and Child Care in Summary March Quarter 2015*

the need to ensure that any recommendations arising from this inquiry are practical in terms of private sector implementation and reporting requirements.

As indicated in Figure 2 below, approximately 18% of centre-based services in NSW are 'small' centre-based services of 29 or less approved places. NSW is in a somewhat unique situation in that there is such a high proportion of 'small' services relative to the proportion of small services in other states. This is the highest proportion of small services in any state, and considerably higher than in Victoria for example, where only 6% of centre-based services are ≤ 29 places (see Figure 3). This is in part a legacy issue of the previous *NSW Children's Services Regulation 2004*, which capped the maximum number of children at 90 until the national regulations took effect in January 2012, enabling larger services to be developed. It should also be noted that the growing demand for outside school hours care places skews the data in terms of services with ≥ 80 places in NSW.

Figure 2: Proportion of Centre-Based Services in NSW by Number of Licensed Places

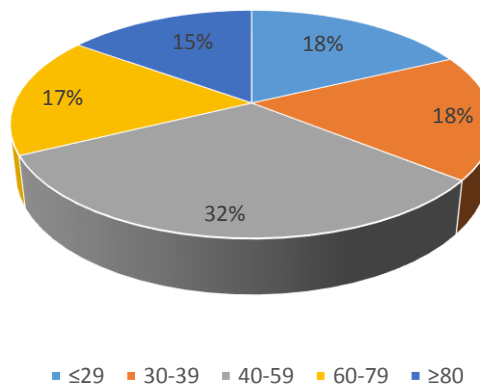
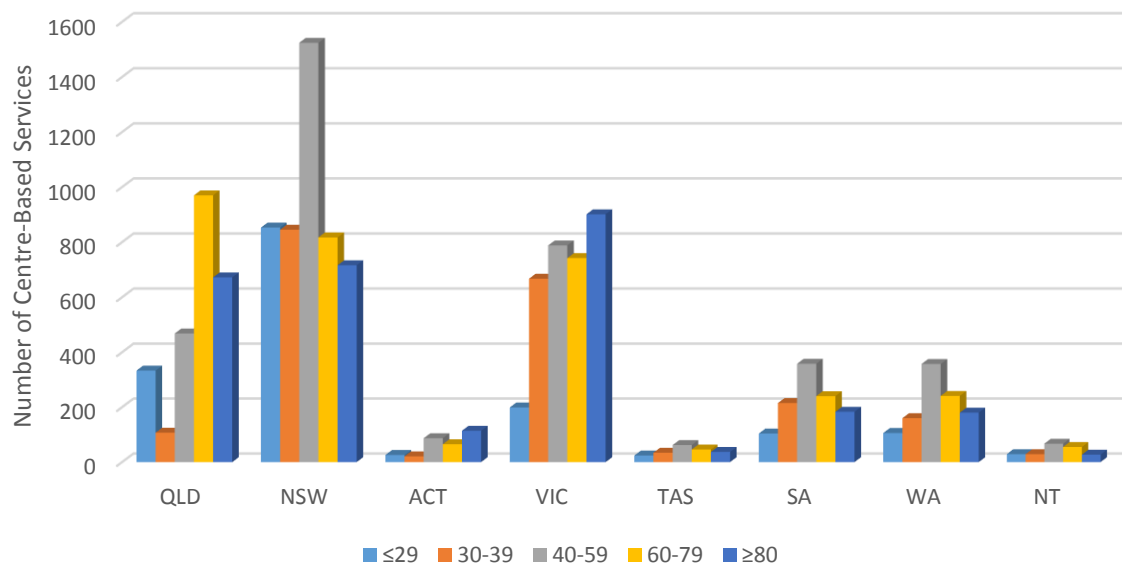


Figure 3: Number of Licensed Places for Centre-Based Services by State, as at May 2016



In a number of other states, larger services are considerably more prevalent than smaller services. This presents NSW services with challenges in terms of economies of scale and capacity to absorb costs associated with regulatory reforms and other external pressures. This is important to note within the context of this inquiry given that smaller services will find additional evidence collection requirements more difficult to administer relative to larger services that may have additional team members or centrally located administrative staff to assist with data collection.

3. What has the Commission Been Asked to Do?

ACA NSW notes that Terms of Reference direct the Commission to examine issues relating to data for both early childhood education and care (ECEC) and schools. It is important to note that these are not mutually exclusive, particularly when considering that Outside School Hours Care (OSHC) is considered to be an important part of the ECEC sector, but deals with school-aged children. As such, the explanation in the ‘Scope of this inquiry’ section, may need further clarification, as it is unclear where OSHC sits within the context of the inquiry.

Similarly, there are a number of ECEC service types, such as mobile services operating in rural and remote Australia, that play critically important roles in terms of delivery of ECEC programs, but are considered to be ‘out of scope’ from the perspective of the National Quality Framework. It is similarly unclear whether these services sit within the context of the inquiry. ACA NSW argues that both mobile and home-based (NB: different to family day care) ECEC services should be considered to be ‘within scope’ for the purposes of this inquiry.

ACA NSW is firmly of the view that the scope of the evidence base must include data on children younger than 4 years old (or prior to the year before schooling). ACA NSW, and indeed most advocates from the ECEC sector in Australia, has been at pains to highlight international literature supporting the long-term benefits of investing in early childhood education and care. The reasons for investment in early childhood education and care are sound and well established:

“Early advantages accumulate. So do early disadvantages. Later remediation of early deficits is costly – redirecting additional funds towards the earlier years, before the state of traditional schooling, is a sound investment in the productivity and safety of our society. Such investment achieves 17% return per annum to the child and society”⁷.

International research is proving time and time again that investment in early childhood education and care delivers solid returns to tax-payers, with findings that every dollar invested in early childhood education and care saves taxpayers up to \$13⁸, and generates a 15-17% return to society⁹.

As reflected in Figure 4, the rate of return on investment for early years programs for the 0-3yo age cohort is greater than those of preschool programs, school, and post-school job training. The Murdoch Children’s Research Institute states clearly that *“evidence shows all children’s learning from birth is cumulative and depends on the quality and consistency of the child’s immediate environment”*¹⁰. As such, it is important that the scope of the evidence base included data younger

⁷ Heckman, J.J. (2006) *The Economics of Investing in Early Childhood*

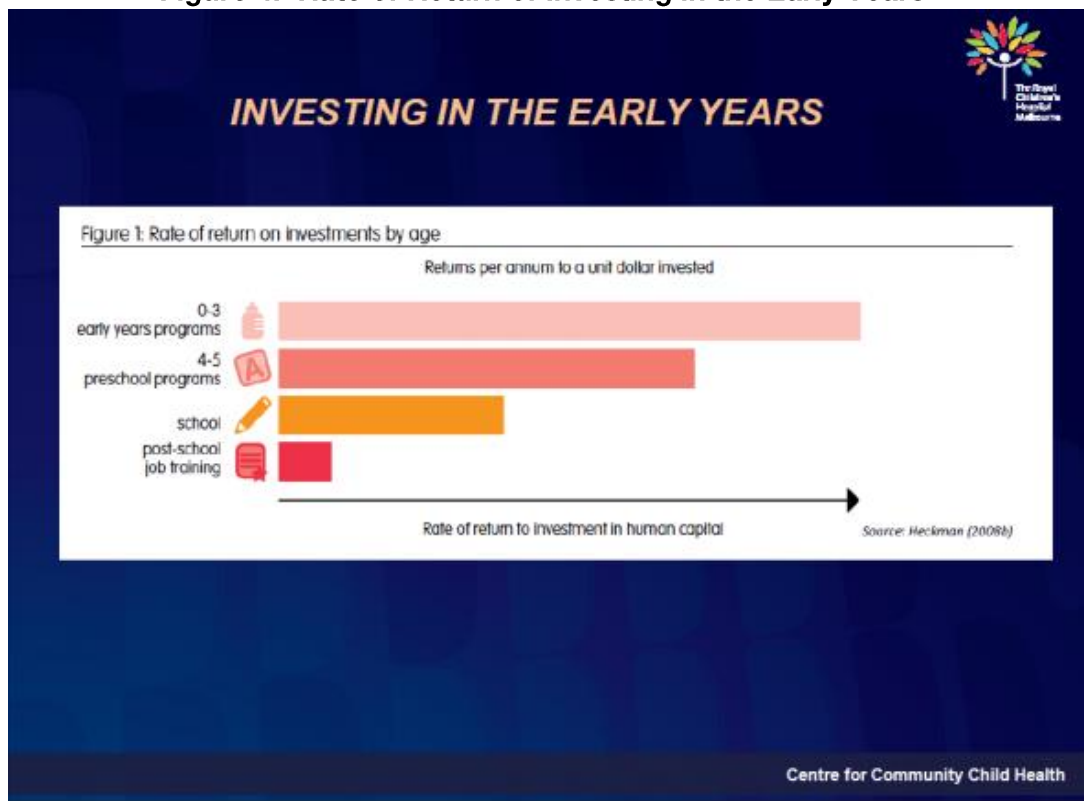
⁸ Calman, L and Tarr-Whelan, L (2005) *Early Childhood Education for All* <http://web.mit.edu/workplacecenter/docs/Full%20Report.pdf>

⁹ Heckman, J.J. (2006) *The Economics of Investing in Early Childhood*

¹⁰ Centre for Community Child Health (2014) *Australia’s early childhood experts respond to the Productivity Commission’s draft report* http://www.rch.org.au/uploadedFiles/Main/Content/ccch/PCI_CCCH_Summary-of-responses-to-draft-report.pdf

than 4 years old. The challenge then, for the Australian Government, is how to collect data on this age cohort for children who are not participating in ECEC programs.

Figure 4: Rate of Return of Investing in the Early Years¹¹



RECOMMENDATION 1

That the scope of the evidence base include data on children younger than 4 years old, as well as children receiving an early learning program via 'out of scope' early childhood education and care services.

4. Objectives and Framework

ACA NSW notes that the Productivity Commission considers longer-term outcomes, such as employment and earnings, to be out of the scope of this inquiry. Whilst conscious of the fact that this inquiry must operate within clearly defined Terms of Reference, ACA NSW questions why the ability to link the national education evidence base to longer-term outcomes would not be a priority in terms of data access and consistency for the purposes of longitudinal studies similar to those operating in other countries. For example, the Effective Preschool, Primary and Secondary Education Project – the first major European longitudinal study of a national sample of young children's development – has been successful in tracking the development of children from early childhood to post-schooling, now reporting the enduring influence of preschool program attendance, quality and duration on academic outcomes at and beyond the age of 16, into vocational and post-secondary settings¹². ACA NSW argues that the ability to analyse Australia's national education evidence base from early childhood to post-secondary is fundamental to public

¹¹ Centre for Community Child Health (2014) *Australia's early childhood experts respond to the Productivity Commission's draft report* http://www.rch.org.au/uploadedFiles/Main/Content/ccch/PCI_CCCH_Summary-of-responses-to-draft-report.pdf

¹² United Kingdom Department of Education (2015) *Effective pre-school, primary and secondary education project (EPPSE 3-16+) How pre-school influences children and young people's attainment and developmental outcomes over time* <http://bit.ly/22od1Cs>

policy setting into the future. As such, ACA NSW recommends that the national education evidence base be in a format to enable longitudinal investigation beyond the schooling years.

ACA NSW agrees with the Productivity Commission's assertion that a range of factors can interact and shape an individual child's development and learning over the life course, but questions why quality is not listed as a determinant when considering preschool characteristics. Given every ECEC service in Australia will be assessed and rated (albeit currently at an unacceptably low pace and with numerous questions pertaining to consistency and objectivity), surely this data would be valuable as a key determinant in explaining the impact on outcomes for individuals or groups.

ACA NSW argues that outcomes in non-cognitive domains – as well as 'traditional' academic domains – are relevant education outcomes for the purposes of the national education evidence base. These outcomes are key to longitudinal analysis of the national education evidence base.

When considering the kinds of data required to support the recommended framework for using data to improve education outcomes, it is imperative that there be consistency in terms of definitions, qualifications and so on. For example, the current wording of the preschool census has led to major data deficiencies, as the wording of the questions pertaining to preschool delivery have not clearly stipulated that preschool programs delivered in long day care settings are considered to be 'preschool' for the purposes of the question. As 'long day care' is generally categorised separately from 'preschool', many long day care service providers have assumed that preschool questions are for 'preschools' only, despite them delivering preschool programs. Simple, clear definitions would greatly assist in addressing this problem. Similarly, 'preschool' in NSW is known as 'kindergarten' in some other jurisdictions, which further complicates national data collection pertaining to preschool programs, including critically important Universal Access¹³ data. As another example, referring to a 'Diploma' may mean a current Diploma qualification, but for educators who obtained their qualifications many years ago, a Diploma may be equivalent to a current Early Childhood Teacher qualification. Distinctions such as these can have a considerable impact on the quality and application of data.

Above all, it is crucial that datasets be consistent in order to facilitate linkage to other data sources and enable longitudinal investigation of the data. Services across the country are already being asked to complete a range of censuses and surveys, from the ECEC Workforce Census (Federal) to the Preschool Indicator on the Child Care Management System (Federal) to the Bi-Annual Preschool Census (NSW). It is enormously frustrating for providers to have the same questions asked by multiple Departments and/or levels of Government in the knowledge that simple data sharing could diminish the administrative burden on services.

RECOMMENDATION 2

That the format and accessibility of the national education evidence base facilitate longitudinal investigation of the longer-term outcomes of early childhood education and care.

RECOMMENDATION 3

That the national education evidence base include nationally consistent terminology regarding definitions, qualifications and so on.

¹³ <https://www.education.gov.au/universal-access-early-childhood-education>

5. What Do We Have?

Table 1 in the discussion paper provides a reasonable selection of education and training data collections from the perspective of children/students, but does not include any examples of data on the education workforce, which is identified earlier in the discussion paper as a potential target data set. Noting that multiple jurisdictions either have – or are in the process of introducing – mandatory teacher accreditation processes, including for Early Childhood Teachers, ACA NSW suggests that this data be utilised for the purposes of collecting data on the education workforce (in addition to the ECEC Workforce Census mentioned above).

RECOMMENDATION 4

That teacher accreditation data be included in the list of existing education and training data collections for the national education evidence base.

6. Issues and Opportunities

ACA NSW strongly agrees with the Productivity Commission’s assertion that “data collected on the early childhood, education and training sectors is fragmented and sector-specific with data collected from (and held by) a variety of sources” (p16). ACA NSW argues this is seriously limiting the capacity for improvements to public policy settings and for meaningful longitudinal studies to be conducted. Improving data sharing arrangements across and within jurisdictions is an urgent priority.

Whilst acknowledging the pervasive influence of the increasing availability and use of technology on the quality, timeliness and cost of collecting, processing and using data, ACA NSW is concerned that the absence of a ‘level playing field’, in that some ECEC service providers are ‘early adopters’ and may have invested heavily in technology, but others may not have the interest or means by which to invest in this technology. Some funding programs, for example the Long Day Care Professional Development Programme, have specifically enabled funding to be utilised for information technology equipment, however, in the case of this particular funding programme, it was capped at \$3000 per service – regardless of service size – seriously limiting the potential impact of this investment. Given the nature of information technology equipment and programs to ‘date’ rapidly, the longevity of this investment can also be an issue for services.

If technology is to be utilised in assisting data collection, ACA NSW is keen to ensure users are adequately trained to ensure consistency of data collection and to maximise uptake. As an example, when the assessment and rating process was first being rolled out in NSW, ACA NSW received multiple reports from members of Assessment and Compliance Officers who were armed with iPads/tablets to assist in the collection of data/evidence and to take photographs, but were quite open about the fact that they did not know how to use them. Whilst this is no longer an issue, it does highlight the need for training to be conducted ahead of rolling out any technological advances in data collection.

RECOMMENDATION 5

That improved early childhood, education and training sector data sharing arrangements across and within jurisdictions be an urgent priority for Federal and State/Territory Governments to enhance the national education evidence base.

7. Institutions, Data Governance and Prioritising Reform

In light of the issues above, ACA NSW argues that enabling data sharing across and within jurisdictions, and ensuring nationally consistent definitions/terminology would be the most urgent and beneficial reforms to children, families, ECEC services/schools and government.

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