

Universal access to preschool: achievements and gaps

Submission to the *Review of the Universal
Access National Partnership*



About the authors

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QUESTION ONE: To what extent have the UANP policy objectives, outcomes and outputs been achieved?

The primary objective of the Universal Access National Partnership (UANP) is ‘to facilitate children’s early learning and development and transition to school, by maintaining **universal access to, and improving participation in, affordable, quality early childhood education programs** for all children’ (Department of Education, 2018). This objective is being achieved to a significant extent:

- **Most jurisdictions are close to or exceeding the UANP benchmarks for access, which means the vast majority of children are benefiting from preschool in the year before school.** UANP reporting indicates 100% enrolment nationally and a clear trend of improvement across all performance indicators, including for equity groups (Department of Education, 2018). UANP enrolment figures may be overstated due to methodological discrepancies between jurisdictions, and figures in the Report on Government Services (RoGS) may be closer to actuals. According to RoGS figures, 90.1% of Australian children are enrolled, with the rate of enrolment across jurisdictions ranging from 83-100% (Productivity Commission, 2019). Despite these discrepancies, the trend of increasing enrolments holds across both datasets.
- **While published UANP reporting does not track affordability, high levels of enrolment appear to indicate that preschool programs are affordable to the vast majority of Australian families.** It is worth noting, however, that RoGs enrolment figures, which we believe to be closer to actuals, indicate that around 10% of children may be missing out on preschool in the year before school, and data show that many of these children come from target equity groups (Warren et al., 2016). Targeted programs implemented by jurisdictions to reduce or waive fees are addressing these gaps, and are instrumental in achieving affordability.
- **Evidence suggests that the UANP has improved the quality of education and care in the year before school.** National Quality Standard (NQS) data show a clear trend of improvement across all early childhood education and care (ECEC) services since 2013 (ACECQA, 2019). The Australian Effective Early Educational Experiences (E4Kids) study found that gaps in ECEC quality for children from lower socio-economic status (SES) families, compared with children from higher SES families, narrowed as the study cohort got older (Torii et al., 2016). This is likely due to quality improvements in preschool programs as a result of increased investment under the UANP, and represents a significant policy outcome to improve equity (Torii et al., 2017).

Areas in which achievement is less clear, or where gaps remain, include:

- **Participation by equity groups shows a clear trend of improvement since the establishment of the UANP** (Department of Education, 2018 & Productivity Commission, 2019). While participation for these groups is increasing according to enrolment trends, concerns remain about levels of attendance and genuine engagement in preschool (Warren et al., 2016). This is not reflected in the UANP indicators, but remains a key area for improvement.
- **Quality is critical to achieving the UANP’s primary objective, but not well measured in UANP reporting.** The sole measure of quality that is tracked through indicators is the proportion of programs delivered by a degree-qualified early childhood teacher who meets National Quality Framework (NQF) standards. Educator qualifications are a useful benchmark to track, but a crude proxy for measuring quality (refer to question two for more detail).
- **A significant number of services are still not meeting quality standards, and gaps are concentrated in areas of disadvantage.** While the majority of preschools are performing well across all quality areas, 5-15% of long day care services are still working towards the NQS, including 15% of services that do not yet meet the standard for educational program and practice (ACECQA, 2019). According to NQS data, over 40% of preschools not meeting the NQS are in low-SES communities (ACECQA, 2019).

In summary, top-line data show that the UANP is meeting policy objectives to a large extent. In terms of universal access, there is little doubt that the UANP is delivering significant benefits to Australian children and families. But gaps remain that limit our ability to maximise outcomes for all children. The past decade has focused largely on access, affordability, and establishing the structural foundations of quality. The priority now must be on process quality – the practice of early childhood educators and the everyday experience of children in ECEC settings (Cloney & Fox, 2017).

QUESTION TWO: What should the UANP target and measure, and how should data be collected and used?

In terms of impact, the UANP should target and measure levels of developmental vulnerability across the population. A decade of investment in universal access to quality preschool should contribute to a reduction of levels of vulnerability across the population. Data from the Australian Early Development Census (AEDC) suggests that this is happening. Between 2009 and 2018, the proportion of children with developmental vulnerability on one domain or more

decreased from 23.6% to 21.7%, and the proportion assessed as developmentally vulnerable on two or more domains decreased from 11.8% to 11% (Department of Education, 2019). There is a clear trend downwards, and these shifts are considered to be statistically significant.

UANP reporting could measure the quality of preschool more effectively.

UANP measurement and reporting on quality is limited, despite the fact that quality is fundamental to achieving policy objectives. Performance indicator one, the proportion of programs delivered by a degree-qualified teacher meeting NQF requirements, is the sole quality indicator, and is not reported on in the 2016/17 UANP report (Department of Education, 2018). While this is undoubtedly an important benchmark to measure and achieve, it is a crude proxy indicator for program quality. A better measure is readily available in the NQS ratings, which assess all ECEC services against seven quality areas. This is especially important now that the National Partnership on the National Quality Agenda for ECEC has ended, to sustain a national focus on quality improvement.

The current mechanism for measuring engagement (attendance for at least one hour in the reference week) is inadequate. This statistic is extremely limited as a measure of attendance or engagement, in the context of improving educational opportunities and life outcomes for all Australian children, particularly those from disadvantaged and vulnerable backgrounds. Evidence shows that the amount of engagement with ECEC (as well as its quality) is critical to shift trajectories for children (Fox & Geddes, 2016). Stronger attendance data are needed as a starting point towards meaningful monitoring.

There are a number of datasets that can assist in more rigorous and meaningful measurement of UANP impact. Data collected through the NQS assessment and rating process are useful in developing an understanding of quality and where achievements and gaps exist. Real impact should be visible in a reduction of developmental vulnerability in Australian children. These indicators are measured by the AEDC every three years, and while there are other significant factors influencing development outcomes, AEDC data should contribute to our understanding of UANP impact.

QUESTION THREE: Are the current UANP arrangements efficient and effective and how could the efficiency, effectiveness and equity of UANP funding be improved?

Evidence suggests that the UANP is having a significant and beneficial impact on access for the vast majority of Australian children, and it is likely that funding flexibility is a major contributor to this outcome. However, evidence also suggests

that current policy settings are having an adverse impact in several key areas:

- **Renewing funding on an annual basis appears to be highly detrimental to services' ability to plan, and attract and retain high quality staff.** National ECEC Workforce Census data show that the proportion of educators intending to leave preschools who are doing so due to short-term contracts (27.3%) is nearly four times the proportion in long day care services (7.8%) (Social Research Centre, 2014). Long day care services receive government support through Child Care Subsidy (CCS), so may have a greater buffer against uncertainty compared with services that only receive UANP funding.
- **Retention of staff is strongly linked to the quality of child/educator relationships, and quality of ECEC programs.** Stability in educators' employment results in better quality early childhood programs, and better outcomes for children (Melhuish, Ereky-Stevens & Petrogiannis, 2015). Stability in educators' employment also contributes to quality by enabling more stable, caring relationships with children (Thorpe & Staton, 2017). Longer-term UANP funding agreements would be likely to improve staff retention, and therefore quality of programs and outcomes for children. Greater stability would therefore maximise the impact of UANP investment.

Performance-based funding

The discussion paper seeks views on performance-based funding, which is currently being implemented in Australia's higher education and school sectors. Evidence from the US has questioned the extent to which this policy has resulted in improvements with regard to student outcomes (Dougherty et al., 2016). In Australia, concerns have been raised regarding its potential impact on equity in higher education (Harvey, 2018). Unique challenges faced by the ECEC sector mean that performance-based funding is unlikely to be a significant driver of improvement, without addressing existing barriers.

A significant risk, whether performance funding is linked to attainment and/or improvement, is that highly competent and resourced services are more fully funded, compared with services with room for improvement, and fewer resources. This would have a disproportionately negative impact on lower SES communities and children, and is a perverse outcome that would need to be avoided. Caution is required in progressing discussions on performance-based funding, and in ensuring that policy debate is informed by international evidence and specific risks relevant to ECEC.

QUESTION FOUR: How does the preschool system operate across states and territories and settings?

While UANP provisions allow for flexibility in how and where preschool is delivered, the funding system remains extremely complex, despite major reform over the past decade:

- **Flexibility enables the integration of high quality preschool programs into specialised services that are tailored to community needs.** This includes Aboriginal children's and family centres. Many of these services include preschool programs integrated into long day care. The cultural safety of services, and the extent to which they work together with parents and families, are critical to improving outcomes for Aboriginal children (Krakouer, 2016). Without UANP funding, many services working with disadvantaged families and communities would struggle to offer high quality preschool programs.
- **Despite recent reform and the introduction of the CCS, current funding arrangements in ECEC remain complex,** difficult for families to navigate, and challenging for providers of multiple ECEC services that access multiple funding streams. Many services obtain funding from three or four sources (or more, if capital works and project funding are included). Moreover, separate funding streams have different policy objectives, with the CCS continuing to focus (not exclusively) on productivity through enabling parental workforce participation, and preschool funding focusing on child outcomes.
- **There is scope for collaboration between state and federal governments to develop a more cohesive funding model for ECEC services.** Siloed funding arrangements for different parts of the ECEC system are becoming less relevant and useful, particularly with the sector now subject to quality standards across all services. A comprehensive review could consider simpler funding models that deliver on equity and outcomes for children and families, as well economies of scale and efficiency for government. This should not, however, affect the continued provision of UANP funding or the CCS.

QUESTION FIVE: Based on your experiences, should changes be made to future national policy on preschool for children in the year before full-time school, and why? What improvements would these changes make? What works well with the current UANP arrangements?

UANP has worked well as a driver of participation and engagement, and the linked quality agenda continues to improve the quality of preschool (and other ECEC) programs. There are, however, persistent barriers to improved outcomes in terms of reducing developmental vulnerability among children, and reducing inequality. Beyond the long-term stabilisation of UANP funding, there is significant scope for refining policy to deliver improvement in the following areas:

- **Focus on quality:** While all children benefit from high quality early learning, research also shows that children experiencing higher levels of disadvantage benefit the most, and can even catch up to their more advantaged peers (Duncan & Sojourner, 2013; Yazejian, Bryant, Freel, & Burchinal, 2015). Yet, the benefits of early education are only realised if children have access to learning opportunities that are of sufficiently high quality to substantially impact their development.

Close and supportive relationships and interaction between educators and children are the most important driver of quality and impact on children's learning and development (Tayler, 2016). Supports that strengthen early childhood educator capability must therefore be a focus in order to lift quality. The most recent Early Years Workforce Strategy expired in 2016, and there is a need to develop a new national strategy that addresses quality issues, as well as increased demand resulting from the scaling up of preschool in several jurisdictions.

- **Improving access to two years of quality ECEC:** While quality is critical, the amount of high quality preschool education also matters. There is a well-developed body of evidence showing that two years of quality ECEC benefits all children, but can have a particularly significant impact on the life trajectories of children from disadvantaged and vulnerable backgrounds (Pascoe & Brennan, 2017; Fox & Geddes, 2016). Several jurisdictions are in the process of expanding preschool access to two years. While these state-level reforms are welcome, the Commonwealth and jurisdictions must also work together to ensure that all Australian children are able to benefit from two years of high quality ECEC, regardless of where they live, and the type of service they attend.
- **Focus on inequality:** A quarter of Australian children start school experiencing developmental vulnerability, and this becomes more difficult to address as they progress through school (Lamb et al., 2015). Education has a key role to play in reducing inequality, but research shows that our education systems are too often serving to widen rather than narrow gaps (Lamb et al., 2015). Since the UANP was introduced, a reduction of developmental vulnerability at school starting age has been achieved, which represents a significant policy outcome. Longer-term funding commitments would be expected to drive further gains in this area.

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