# November 2016

URGENT ACTION NEEDED – COMMONWEALTH MUST ACT ON 15 HR KINDER FUNDING

## Background

In November 2008 the Council of Australian Governments (COAG), as part of its early childhood reforms, endorsed the national agenda of universal access to 15 hours of kindergarten a week for four year-olds from 2013. Since July 2013, the vast majority of Victorian preschoolers have had access to a 15 hour program. The Victorian kindergarten participation rate for 2015 was 98.1 per cent, up 1.7 per cent from 2014. This represents more than 74,000 children reaping the lifelong benefits of a quality early years education.

Under the National Partnership Agreement the Commonwealth Government provides about one-third of the funding for 15 hours of preschool and the Victorian Government contributes two thirds. There have been four separate National Partnership Agreement with the current Agreement due to expire in December 2017. In addition to the funding from the Commonwealth and Victorian Governments, the community and local government provide a further 35 per cent through parent fees, fundraising and council support to meet the government shortfall.

In early 2015, the Productivity Commission released its report into Childcare and Early Childhood Learning which recommended continued Commonwealth investment in preschool programs. Importantly the Productivity Commission recommended that Commonwealth funding for early childhood education and care was needed to help meet the cost of quality early learning per week in the year before school is critical to children’s social and intellectual development. The Commonwealth Government then went on to develop the *Jobs for Families* package which includes Commonwealth funding to help meet the cost of providing 15 hours of preschool in 2016 and 2017.

However the Commonwealth Government’s current commitment through the latest National Partnership Agreement expires in December 2017. These continual short-term funding arrangements make it difficult for Victorian services and families to plan as they continue to face uncertainty about the cost and availability of preschool beyond 2017.

Local government and the kindergarten community urgently need to speak with one voice to ensure the Australian Government provide enduring funding for its share of the 15 hours operational costs to ensure stability for this essential introduction to formal educational for Australia’s children prior to commencing primary school.

## Who to contact and how?

We urge all councils to make urgent contact with the Leaders of all Federal Parties and your Federal MPs about this matter through letters, emails, face-to-face meetings, and via social media.

The central message for Leaders of the Parties and MPs is that without continued Federal funding, families of 74,000 Victorian pre-schoolers will face untenable fee increases of up to 100 per cent. Councils are encouraged to contact Prime Minister, Malcolm Turnbull; Minister for Education and Training, Simon Birmingham; and Minister for Social Services Christian Porter.

All MPs should be urged to raise community and council concerns with their Ministerial colleagues, party leaders, and through Parliamentary question time to specifically seek a solution to kindergarten funding uncertainty.

Further suggested key messages, and support material including a template letter for mayors have been included to assist councils to undertake local advocacy.

## Key messages:

1. The Commonwealth Government must include long-term kindergarten funding certainty with a budgeted commitment for 15 hours of kindergarten. It’s now or never for Victoria’s children.
2. Australia’s early childhood education system must not be left to fall further behind our OECD counterparts. Our children deserve better and we expect better for them.
3. This essential national education program must have enduring federal funding beyond the political cycle or it will price many families out of accessing affordable kindergarten education which provides an important start for their children.
4. Without continued government investment for the additional five hours of preschool, we risk poorer learning outcomes for Victorian children, and lower kinder participation rates.
5. Victorian communities already contribute 35 per cent of the cost of preschool through fees, fundraising and local government support, including over $300 million of ratepayer funds invested by councils over the past four years to deliver 15 hours of kindergarten.
6. Parents cannot sustain exorbitant fee increases to offset government funding shortfalls if the Commonwealth investment is not renewed.
7. An extra 1,200 teachers and educators were trained and employed to deliver additional preschool hours. We cannot afford the job losses, or risk councils withdrawing their support and extensive roles in kindergarten planning, facility and service provision.

## The evidence:

1. Internationally and nationally[[1]](#footnote-1) there is irrefutable evidence linking preschool attendance to improved student results in numeracy, reading and spelling.
2. A 2010 study[[2]](#footnote-2) found that focused investment in early childhood education represents the best and most economically efficient period of life for such an outlay - returning at least $8 for every $1 spent in higher wages, increased tax revenue, reduced school expenditure and reduced criminal justice expenditure.
3. What other OECD countries are doing:

* New Zealand and the UK: recently introduced 20 hours per week free for three and four year old children
* Norway: preschool education up to 41 hours per week for children from the age of one and capped fees to maintain affordability
* France: free preschool education for children from two years for 25 hours per week
* Sweden: preschool education up to 50 hours per week, with capped fees and subsidies for families
* Spain: free preschool education for 50 hours per week for three and four year olds
* Scotland: free preschool education for three and four year olds for 11 hours per week, with parents paying for additional hours.

## MAV advocacy

Since MAV advocacy commenced on this issue in 2010, $5.5 million has been provided in Federal funding to Victorian councils for operational planning and capacity assessment, plus councils shared a further $4 million to support change management; and $200 million of state/federal funds were provided for capital investment. The Commonwealth has also funded the additional five hours operational costs of the national reforms. MAV has recently written to the Prime Minister urging enduring Commonwealth funding for 15 hours of preschool beyond the expiration of the current National Partnership Agreement.

Over the past six years, our advocacy efforts have and continue to include:

* regular meetings and briefings with Victorian Ministers and Shadow Ministers
* regular meetings with the Department of Education and Training (DET)
* submissions to the Victorian Budget, State kindergarten fee review, COAG mid-term review and Productivity Commission and Senate inquiries
* meetings and briefings with Federal Ministers and Shadow Ministers
* letters to successive Prime Ministers
* input into ALGA submissions.

## Victoria’s kindergarten model:

* Local government voluntarily invests significant funds and resources towards kindergarten provision – councils own the majority of facilities (est. $2 billion investment in M&CH and Kindergarten), are a major service planner and provider, and offer subsidies and other assistance for kinder programs.
* To achieve the 15 hours national kindergarten reforms, Victorian councils invested $300 million of ratepayer funding towards capital investment in facilities.
* Of Victoria’s 1,320 community-based kindergartens, at least 1,094 (83 per cent) operate from council-owned buildings.
* The vast majority of Victorian kindergartens are operated on a not-for-profit basis by community organisations, councils, cluster managers or parent cooperatives.
* Victoria’s ‘community model’ also relies on community and parent support (including fees and fundraising) to keep programs running. This community investment equates to 35 per cent of the operating costs of service delivery.
* This unique partnership model has resulted in more than 98.1 per cent of Victorian children attending 15 hour kindergarten programs in 2015.

## FURTHER INFORMATION

Go to our kindergarten reforms [campaign page](http://www.mav.asn.au/mediacentre/campaigns/Pages/kindergarten-funding.aspx). MAV contact person: Jan Barrett, phone: 03 9667 5594, email: [jbarrett@mav.asn.au](mailto:jbarrett@mav.asn.au)

1. Nationally - NAPLAN – Melbourne Institute of Applied Economics and Social Research January 2014;

   Internationally –

   * A comprehensive literature review undertaken by the New Zealand Council for Educational Research found that a longer duration of early childhood education and care experience is linked with improved academic outcomes for children.
   * The OECD’s PISA results show that in practically all OECD countries 15 year old students who had attended pre-primary school outperformed students who had not, even accounting for their socio-economic backgrounds (OECD 2009).
   * Stanford University’s Professor Linda Darling Hammond recently reported that across OECD countries, students who indicated that they had attended pre-primary school for more than one year score 53 points higher in mathematics – the equivalent of more than one year of schooling – than students who had not attended pre-primary education.

   [↑](#footnote-ref-1)
2. Return on Investment: Cost vs. Benefits. Professor James J. Heckman, University of Chicago, 2010. [↑](#footnote-ref-2)