

## Section 2: Outcomes and planned performance

### **2.1 OUTCOME 1: EARLY CHILDHOOD EDUCATION AND CHILD CARE - CHILDREN RECEIVE QUALITY EARLY CHILDHOOD EDUCATION AND CHILD CARE THAT MEETS THE NEEDS OF THEIR PARENTS**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the department in achieving government outcomes.

#### **Outcome 1 Strategy**

The Australian Government's agenda for early childhood education and child care focuses on providing Australian families with high-quality, accessible and affordable integrated early childhood education and child care.

This agenda is positioned as a key strategy under the Education Revolution for contributing to improved productivity and participation into the future. It places a strong emphasis on supporting the optimal development of children and social inclusion so that all Australian children are fully prepared for learning and life with long term benefits for children and their families, our communities and the economy. Between birth and five years is the time when children's brains develop the most. There is good evidence that ensuring access to high quality early education programs for all children before schooling starts, is one of the best ways for government to help give our children the best possible start in life, including successful transition to school.

The strategy also helps meet the needs of Australian families for quality, accessible and affordable child care that is inclusive of school age children and children with additional needs. High quality child care plays an important role in improving children's educational and developmental outcomes. Child care also enables parents to participate in the workforce and the broader community.

Key Government commitments include:

- Universal access by 2013 to quality early childhood education for all children in the year before formal schooling
- Strong quality standards in child care and preschool.

Key Initiatives include

- Universal Access
- Strong Quality Standards and A-E Rating System
- Early Years Learning Framework
- New Early Learning and Care Centres
- Workforce initiatives and a National Early Years Workforce Strategy
- Changes to the Child Care Tax Rebate.

The Universal Access to quality early childhood education initiative will ensure that all children have access to quality early childhood education, delivered by university qualified early childhood teachers, for a minimum of 15 hours per week, 40 weeks per year in the year before formal schooling by 2013. This includes a specific commitment to ensure access to quality early childhood education for all Indigenous four year olds living in remote communities within five years. This initiative will be underpinned by an Early Years Learning Framework and national quality standards in order to ensure children receive a consistent high quality early education program regardless of which service they attend.

The strong Quality Standards for Child Care and Preschool and A-E Rating System initiative builds on the current Child Care Quality Assurance system that links quality to Child Care Benefit payments. The initiative will link directly to the development of new quality standards for preschool and the Early Years Learning Framework.

The New Early Learning and Care Centres initiative will increase the availability of convenient early learning and child care for families in areas of need. The centres will be, where possible, located on school, TAFE, university grounds or other community land. The commitment is a central part of the Government's early childhood education and child care agenda and includes the provision of early intervention support for children with autism through the delivery of programs by professional, specialist trained staff, in a physical environment which provides appropriate stimulation.

The National Early Years Workforce Strategy will include creating additional early childhood education university places each year from 2009, increasing to 1500 by 2011; paying half the HECS-HELP debts for early childhood education teachers who work in rural and regional areas, Indigenous communities and areas of socio-economic disadvantage for up to five years; and removing TAFE fees for Diplomas and Advanced Diplomas of Children's Services qualifications from 2009.

The workforce initiatives and the development of a National Early Years Workforce Strategy are aimed at improving the quality and overall numbers of the workforce in early childhood settings to support optimal learning and development of young children, and to ensure that child care is accessible to families to support their workforce participation needs. The changes to the Child Care Tax Rebate will provide greater and more timely financial assistance to families using approved child care.

Delivering on this agenda requires working with stakeholders to reduce barriers to access and to build a nationally consistent early childhood education and care system in Australia. The Australian Government is working with the States and Territories under the Council of Australian Governments and through the new Commonwealth-

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State funding relations to implement this commitment. This includes the above initiatives and other reforms aimed at improving the capacity of the early childhood education and care sector, such as streamlined quality assurance and regulatory arrangements, a national early childhood workforce strategy and a national early childhood education and care performance information strategy.

The effectiveness of these and other Government initiatives for improving access to quality early childhood education and child care will be measured by effectiveness indicators listed in Table 2.1A. The trend in preschool participation rates will be important in determining the success of the Government's agenda for universal access to early childhood education in the year before formal schooling.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for Outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Early Childhood Education and Child Care - Children receive quality early childhood education and child care that meets the needs of their parents</b>	2007-08 Estimated actual (\$'000)	<b>2008-09 Total estimate of available resources (\$'000)</b>
<b>Administered Items:</b>		
<b>Ordinary Annual Services</b>		
Child Care for eligible parents undergoing training	35,576	<b>54,332</b>
Support for Child Care	119,556	<b>316,492</b>
<b>Other Services</b>		
Support for Child Care SPP	16,168	<b>90,267</b>
<b>Special Appropriations</b>		
<i>A New Tax System (Family Assistance) (Administration) Act 1999</i>		
Child Care Benefit	786,376	<b>1,908,322</b>
Child Care Tax Rebate	75,070	<b>860,822</b>
<b>Total Administered</b>	<b>1,032,746</b>	<b>3,230,235</b>
<b>Departmental Outputs:</b>		
Output 1.1 - Policy Services	10,936	<b>24,201</b>
Output 1.2 - Program Management	8,122	<b>24,972</b>
Output 1.3 - Service Delivery	5,668	<b>16,617</b>
Revenue from other sources	-	-
Special Account	-	-
<b>Total Departmental</b>	<b>24,726</b>	<b>65,790</b>
<b>Total resources for Outcome 1</b>	<b>1,057,472</b>	<b>3,296,025</b>
	2007-08	<b>2008-09</b>
Average staffing level (number)	82	<b>356</b>

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

The department will provide leadership through the Office of Early Childhood Education and Child Care to drive the Government's agenda for a nationally-consistent system of quality, accessible and affordable early childhood education and child care for all Australian families.

The funding to support the delivery of the Government's initiatives is delivered to the department through four administered items which give rise to administered outputs in Table 2.1B. Three of these, Child Care Benefit, Child Care Tax Rebate and Jobs Education and Training (JET) Child Care Assistance help families to participate in the economic and social life of the community by assisting them with the cost of child care.

The fourth, Child Care Services Support, supports and promotes access to early childhood education including quality child care for children, families and communities through strategies that complement the significant assistance provided to families through the Child Care Benefit and Child Care Tax Rebate.

The indicators in Table 2.1B measure the performance in delivery of outputs from expenditure of the four administered items. The main outputs contributing to achieving the Government objectives are:

- supporting 2,000 child care services with sustainability assistance to improve access to child care, especially in regional and remote areas
- supporting 594,800 eligible parents with the costs of child care
- assisting 37,000 families participate in the economic and social life of the community through JETCCFA
- supporting 260 Indigenous child care specific services is important in contributing to the Government's universal access commitment.

## Administered activities

The four administered items that contribute to Outcome 1 are:

- *Child Care Benefit (CCB)* – assists parents with the cost of approved and registered child care. The payment of CCB varies depending on family income, the number of children in care, the hours of care, and the type of child care used. This means families who are on the lowest incomes and use approved services, receive the highest rate of CCB.

CCB is intended to be a contribution to the cost of child care. Eligible families can have the benefit paid directly to the child care service to reduce their out-of-pocket expenses, or claim it as a lump sum at the end of the financial year. Every family using approved child care is eligible for at least the minimum rate of CCB. Working families using registered carers including: some nannies, preschool teachers, neighbours and relatives, can claim the minimum rate of CCB.

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- *Child Care Tax Rebate (CCTR)* – is an additional payment to help families with their out of pocket costs after CCB has been received. This assistance will help eligible working parents with the cost of child care, if they are using approved child care for work related reasons.

The child care tax rebate covers up to 50 per cent of an eligible family's out-of-pocket child care expenses for approved child care, with a rebate of up to \$7,500 (indexed) per child per year. Out-of-pocket expenses are child care fees for approved care not already covered by the Child Care Benefit.

- *Jobs Education and Training (JET) Child Care Fee Assistance Program* – provides eligible parents with extra help with the cost of approved child care while undertaking activities such as job search, work, study or rehabilitation to help them to enter or re-enter the workforce.
- *Child Care Services Support* – promotes and supports early childhood education and quality child care; assists services to improve access and inclusion for children and families with special and/or additional needs; provides professional support to build the capacity of the child care sector; supports the sustainability of child care for all Australian children and families including in areas and/or under circumstances where services would not otherwise be available; and develops, maintains and disseminates information to assist families to make informed decisions about child care and the related support programs and services provided or funded by the Australian Government. The main sub-elements of this administered item include:
  - *Universal Access to Quality Early Childhood Education* – funding aims to improve access and the quality and national consistency of early childhood education programs delivered in a diversity of settings, including through preschool and child care, to support optimal child development in the early years and prepare children for formal schooling irrespective of where they live. It provides funding to support the reforms needed to achieve universal access to quality early childhood education by 2013, for example to reduce the barriers to access especially for Indigenous and other disadvantaged children, improve quality and information, increase the average weekly hours of early childhood education programs, and foster service integration.
  - *National Early Years Workforce Strategy* – includes creating additional early childhood education university places each year from 2009, increasing to 1500 by 2011; paying half the HECS-HELP debts for early childhood education teachers who work in rural and regional areas, Indigenous communities and areas of socio-economic disadvantage for up to five years; and removing TAFE fees for Diplomas and Advanced Diplomas of Children's Services qualifications from 2009.
  - *Child Care Quality Support* – aims to ensure that children in care have stimulating, positive experiences and interactions that will foster all aspects of their development and promote quality care for all children in approved Australian child care services. It aims to provide a framework for reviewing, measuring and improving the quality of the services provided by approved child

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care providers. It focuses on quality outcomes for children and encompasses processes for continuing improvement against principles of quality care.

- *Inclusion and Professional Support* – promotes and maintains high quality care and inclusion for all children in eligible child care services, by increasing the capacity of the service and the skill level of carers and staff in line with nationally consistent principles.
- *Community Support (CSP)* – delivers improved access to child care through support for establishment of new services and maintenance of services especially in regional and remote areas; and assistance to existing child care services to improve and support access for families in areas of high need.
- *Program Support* – supports the development, maintenance and dissemination of information to assist families to make informed decisions about child care and the related support programs and services provided or funded by the Australian Government. A range of products and services are funded to assist parents and service providers.

**Departmental outputs**

The Office of Early Childhood Education and Child Care has been established within the Department of Education, Employment and Workplace Relations. The Office is responsible for delivering the Government's key commitments on early childhood education and child care, as well as guiding major national policy reform.

The Office has brought together the functions of previous Children's Group from the Department of Families, Housing, Community Services and Indigenous Affairs and the Early Childhood Education functions from the former Department of Education, Science and Training.

### Performance information for Outcome 1

Programs and initiatives delivered by DEEWR which contribute to Outcome 1 form part of a wider set of factors that affect that Outcome. The indicators in Table 2.1A provide an indication of the overall trends under Outcome 1.

**Table 2.1A: Effectiveness Indicators for Outcome 1**

Access to quality early childhood education
<ul style="list-style-type: none"><li>• Preschool participation rates (including by Indigenous children)</li></ul>
Qualified early childhood workforce
<ul style="list-style-type: none"><li>• Proportion of TAFEs offering fee-free Diplomas and Advanced Diplomas of Children’s Services</li><li>• Proportion of additional early childhood education university places applied for</li></ul>
Child Care
<ul style="list-style-type: none"><li>• Trend in the number of children with additional needs using Australian Government approved child care services - by target group</li><li>• Trend in the number of Commonwealth funded child care that is used for work-related purposes</li></ul>

**Table 2.1B: Performance information for Administered Outputs**

Performance Indicator	2007 Estimate	2007 Est. Actual	2008 Estimate
<b>Child Care Benefit and Child Care Tax Rebate</b>			
<ul style="list-style-type: none"> <li>Number of child care places available</li> <li>Number of eligible approved services</li> <li>Number of eligible families using approved Commonwealth funded child care services</li> </ul>	582,000	667,000	693,700
<ul style="list-style-type: none"> <li>Percentage of families using approved child care services and receiving Child Care Benefit</li> <li>Percentage of families claiming maximum rate Child Care Benefit</li> <li>Percentage of families claiming minimum rate Child Care Benefit</li> </ul>	96%	94%	96%
<b>Jobs Education and Training Child Care Fee Assistance</b>			
<ul style="list-style-type: none"> <li>Number of children in child care</li> <li>Number of parents assisted</li> </ul>	58,000	40,000	60,000
<b>Child Care Services Support</b>			
<ul style="list-style-type: none"> <li>Number of child care services receiving sustainability assistance</li> <li>Number of Family Day Care workers approved for the Family Day Care start-up payment</li> <li>Number of Indigenous child care specific services</li> <li>Innovative Early Childhood projects commenced in each State and Territory</li> </ul>	2,000	1,600	2,000
<ul style="list-style-type: none"> <li>Percentage of Long Day Care services that have gone through five steps of the Quality Improvement and Accreditation System and are accredited</li> <li>Percentage of Family Day Care services that have gone through five steps of the Family Day Care Quality Assurance System and are accredited</li> <li>Percentage of Outside School Hours Care services that have gone through five steps of the Outside School Hours Care Quality Assurance System and are accredited</li> </ul>	94%	92%	94%
	90%	89%	90%
	90%	87%	90%

**Table 2.1C: Performance information for Departmental Outputs**

<b>Performance Indicator</b>	<b>2008-09 Estimate</b>
<b>Program Management</b>	
<i>Quality</i>	
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR
High quality Ministerial replies as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the replies.	<ul style="list-style-type: none"> <li>• Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary.</li> <li>• Analysis of trends over time to monitor percentage delivered within agreed timeframes.</li> </ul>
<b>Policy Services</b>	
<i>Quality</i>	
High quality policy advice as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of policy advice.	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary.
High quality research and evaluation reports as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the reports	Qualitative evaluation of satisfaction using feedback to the Secretary from Ministers and Parliamentary Secretary.
Research activities are completed according to plan	At least 90 per cent completed to plan
<b>Service Delivery</b>	
<i>Quality</i>	
Satisfactory services as reported by Centrelink through the timely processing of Child Care Benefit claims	Services provided in accordance with DEEWR-Centrelink Business Partnership Agreement (BPA)