

# NATIONAL PARTNERSHIP AGREEMENT ON EARLY CHILDHOOD EDUCATION

Council of  
Australian  
Governments

An agreement between

- the Commonwealth of Australia and
- the States and Territories, being:
  - ◆ the State of New South Wales;
  - ◆ the State of Victoria;
  - ◆ the State of Queensland;
  - ◆ the State of Western Australia;
  - ◆ the State of South Australia;
  - ◆ the State of Tasmania;
  - ◆ the Australian Capital Territory; and
  - ◆ the Northern Territory of Australia.

Through this Agreement, the Commonwealth and the States and Territories will work together to ensure universal access to quality early childhood education in the year before school (Commonwealth election commitment).



# National Partnership Agreement on Early Childhood Education

## PRELIMINARIES

1. This agreement is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and should be read in conjunction with that Agreement and subsidiary schedules. In particular, the schedules include direction in respect of performance reporting and payment arrangements.
2. The Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage. That commitment is embodied in the objectives and outcomes of this agreement. However, the Parties have also agreed other objectives and outcomes - for example, in the National Indigenous Reform Agreement - which the Parties will pursue through the broadest possible spectrum of government action. Consequently, this agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships entered into by the Parties
3. This National Partnership Agreement has been established as a starting point for joint Commonwealth, State and Territory action to improve the supply and integration of early childhood services, including child care and early learning and development, through the delivery of universal access to quality early childhood education in the year before full time schooling. In conjunction with the development of an overarching Early Childhood Development strategy, further work will also occur on the development of a National Agreement on Early Childhood Development that will set the direction for collaborative early childhood reform across the Commonwealth and States and Territories. Funding for universal access will be provided through a National Agreement after 2012-13.
4. This National Partnership is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and its schedules, and should be read in conjunction with them.
5. This Agreement is a first step towards broader early childhood development reform in Australia. Areas for future action include: early childhood workforce development; national quality standards for early childhood education and care; improving data and information about services and supports for young children and their families; and further modernising infrastructure and associated service delivery.
6. Early childhood is a critical time in human development. There is now comprehensive research that shows that experiences children have in the early years of life set neurological and biological pathways that can have life-long impacts on health, learning and behaviour. There is also compelling international evidence about the returns on investment in early childhood services for children from disadvantaged backgrounds, including the work of Nobel Laureate James Heckman.
7. On average, children in Australia have good outcomes overall. The outcomes for some children however are poor and the gap is widening. Early childhood services, policies and practices in

Australia have not benefited from a national focus and are therefore quite fragmented. This can be problematic for some families and particularly for those families with multiple and complex vulnerabilities, who may find it difficult to access and navigate fragmented services. It also makes it difficult to advance prevention-orientated and early intervention approaches for all children and to coordinate services for those with complex problems.

8. High quality early childhood services offer the productivity benefits of giving children the best possible start in life, and for parents, the opportunity to be active participants in the workforce or community life.
9. While the Commonwealth and the States and Territories already contribute significant funding to early childhood, all governments recognise that substantial benefits can be realised from working in partnership, in engaging with local government and non-government service providers and the community, and in taking a child-focused approach to policy development and service delivery.

## PART 1 – FORMALITIES

### Parties to this Agreement

10. In entering this Agreement, the Commonwealth and the States and Territories recognise that they have a mutual interest in improving early childhood outcomes. This will initially be undertaken through universal access to a preschool program in the year before full-time school. The Commonwealth and the States and Territories also recognise that this initiative is of national significance.

### Term of the Agreement

11. This Agreement will commence as soon as the Commonwealth and one other Party signs the Agreement and will expire on 30 June 2013, or earlier termination as agreed in writing by the Parties. There will be review periods as outlined in Part 6 of this Agreement.

### Delegations

12. The Minister for Education, Employment and Workplace Relations is authorised to agree the bilateral agreements to this Agreement, and make payments in accordance with the agreed payment schedule, on behalf of the Commonwealth.
13. Ministers with lead responsibility for early childhood education in each jurisdiction are authorised to agree the bilateral agreement to this Agreement on behalf of their State or Territory.

### Interpretation

14. Unless otherwise specified, the following terms and definitions are used throughout this Agreement:
  - (a) *Agreement*: this Agreement and any attached bilateral strategies, action plans, workplans, schedules or annexures.
  - (b) *Early childhood*: the period from birth to age 8 years. The major policy focus for this Agreement will be on the years from birth to age 5.

- (c) *Early childhood education and care*: incorporates child care and/or stand-alone preschool for children between birth and 5 years of age. Services are delivered through the government or non-government sectors, where the latter includes community and private, for profit and not for profit providers.
- (d) *Early childhood education program*: an alternative term to a 'preschool program'.
- (e) *Early childhood development*: refers to all aspects of a child's growth, learning, development and transitions from birth to 8; incorporating a holistic spectrum of policy interventions including in the health, education and care spheres.
- (f) *Enrolment*: a child is on the 'roll' for a preschool program, regardless of where that program is accessed.
- (g) *In-kind contribution*: a contribution to the achievement of this Agreement's objectives in the form of services, land and/or infrastructure rather than in funding and in the context of the Agreement includes integration of existing resources and/or services into implementation of the measures in this Agreement.
- (h) *Indigenous*: people who identify as Aboriginal and/or Torres Strait Islander.
- (i) *Preschool program*: structured, play-based early childhood education. Alternative terms currently used for preschool in some jurisdictions include 'kindergarten', 'pre-prep' and 'reception'.
- (j) *Quality*: a service (child care and/or stand-alone preschool) is provided in accordance with current quality assurance and regulatory requirements.
- (k) *Remote Indigenous community*: a community that is classified as either 'remote' or 'very remote' according to the Australian Bureau of Statistics (ABS) classification of 'Indigenous Location'.
- (l) *Universal access*: whereby every child, 12 months prior to full time schooling, has access to a preschool program delivered: by a four year university qualified early childhood teacher (subject to clause 17 below); in accordance with a national early years learning framework; for 15 hours a week, 40 weeks a year; across a diversity of settings; in a form that meets the needs of parents; and at a cost that does not present a barrier to participation.

## PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

### Objectives

15. Through this Agreement, the Parties commit to the aspiration that children have access to the support, care and education throughout early childhood that equips them for life and learning, delivered in a way that actively engages families and communities, and meets the workforce participation needs of parents.
16. This Agreement concentrates on reforming the delivery of early childhood education and care services through the delivery of universal access to early childhood education.
17. The universal access commitment is that by 2013 every child will have access to a preschool program in the 12 months prior to full-time schooling. The preschool program is to be delivered by a four year university qualified early childhood teacher, in accordance with a national early years learning framework, for 15 hours a week, 40 weeks a year. It will be accessible across a

diversity of settings, in a form that meets the needs of parents and in a manner that ensures cost does not present a barrier to access. Reasonable transitional arrangements—including potentially beyond 2013—are needed to implement the commitment to preschool program delivery by four year university qualified early childhood teachers, as agreed in the bilateral agreements.

18. Especially for the first two years of implementing universal access (2009 and 2010), national priorities include: increasing participation rates, particularly for Indigenous and disadvantaged children; increasing program hours; ensuring cost is not a barrier to access; strengthening program quality and consistency; and fostering service integration and coordination across stand-alone preschool and child care. The strategies for addressing these priorities may differ on a state-by-state basis.
19. Children living in remote Indigenous communities have been identified as a specific focus for universal access, with the Prime Minister announcing as part of his Sorry Day address that by 2013 every Indigenous four year old in a remote community be enrolled and attending a preschool program. This reflects the significant under-representation of Indigenous children in preschool programs.

## **Outcomes, Outputs and Performance Indicators**

20. The outcomes, outputs and performance indicators against this Agreement are provided in Table one.
21. Whilst the Commonwealth and the States and Territories are committed to reforming the delivery of early childhood services, a number of challenges to measuring progress are recognised – foremost being the current lack of nationally comparable data. These and other relevant factors will be considered when measuring progress. It is also recognised that the benefits of these reforms may not begin to be realised until after a period of years.
22. Following the agreement of baseline data by the Commonwealth, States and Territories, all jurisdictions will use these performance indicators for the duration of the Agreement to identify and measure progress towards the agreed outcomes and outputs as described in Table 1.

**Table 1: Outcomes, Outputs and Performance Indicators**

<b>Outcomes</b>	<b>Outputs</b>	<b>Performance Indicators</b>
All children have access to affordable, quality early childhood education in the year before formal schooling.	Children have universal access to a preschool program for 15 hours per week, 40 weeks per year.	The proportion of children who are enrolled in (and attending, where possible to measure) a preschool program.
		The number of teachers delivering preschool programs who are four year university trained and early childhood qualified.
		Hours per week of attendance (where possible to measure) at a preschool program.
	Universal access to a preschool program is delivered across a range of settings at a cost which is not a barrier to access	Distribution of children who attend a preschool program by weekly cost per child (after subsidies) as defined by jurisdictions
	Disadvantaged children have universal access to a preschool program.	The proportion of disadvantaged children enrolled in (and attending, where possible to measure) a preschool program.
All Indigenous four year olds in remote Indigenous communities will have access to a quality early childhood education program	Indigenous children (including those in remote Indigenous communities) enrolled in and attending a preschool program.	The proportion of Indigenous children (by geographic location as identified by the Australian Standard Geographic Classification), who are enrolled in (and attending, where possible to measure) a preschool program.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

23. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

### Shared

24. The States, Territories and the Commonwealth share the following roles and responsibilities and will work in partnership to:
- (a) deliver universal access and develop the agreed data for performance measurement;
  - (b) remove barriers to participation in a preschool program, including ensuring cost is not a barrier (especially for Indigenous and disadvantaged children, including remote Indigenous children) and provision is in a form that is convenient for all families, including the needs of working families;
  - (c) work across inter-agency and sectoral boundaries, including with non-government providers of early childhood services such as community, not-for-profit and for-profit providers, to support early childhood education and care; and
  - (d) undertake further work on:

- (i) streamlined regulatory and quality systems to support the provision of early childhood education and care; and
- (ii) a national early years workforce strategy and subsequent action plans.

## **Role of the Commonwealth**

25. The Commonwealth will have responsibility for:
- (a) working with States and Territories to implement their bilateral agreements for universal access;
  - (b) making a financial contribution to assist states to reach universal access;
  - (c) meeting the ongoing costs of implementing new approved child care places under child care assistance legislation; and
  - (d) leading the development of the Indigenous (including remote communities) universal access strategy.

## **Role of the States and Territories**

26. The States and Territories will have responsibility for:
- (a) implementing bilateral agreements to give effect to universal access;
  - (b) at a minimum, maintaining the current roles and level of effort in the delivery of preschool programs;
  - (c) working collaboratively with early childhood education and care providers across the diversity of settings to deliver universal access; and
  - (d) developing specific strategies for delivering universal access in Indigenous communities, including remote communities.

## **PART 4 – PERFORMANCE BENCHMARKS AND REPORTING**

### **Reporting**

27. The Commonwealth and States and Territories will publish annual progress reports against the reforms outlined in their bilateral agreements.
28. The reports will be provided within three months of the end of the relevant period, or otherwise specified each jurisdiction's bilateral agreement.
29. Reporting requirements under this National Partnership should be read in conjunction with the provisions in Schedule C to the Intergovernmental Agreement on Federal Financial Relations



## PART 5 – FINANCIAL ARRANGEMENTS

### Funding

30. This Agreement is based on a facilitation payment and joint investment approach between the Commonwealth and State and Territories.

### Payment Schedule

31. This Agreement covers four and a half years to 30 June 2013.
32. The Commonwealth has committed to the provision of \$970 million from 2008-09 to 2012-13 for the implementation of universal access to a preschool program, increasing to \$450 million per year by 2012-13.
33. The distribution of the five years of universal access funding is set out in Table 2 below. The distribution of funding across the States and Territories in the first four years will have an emphasis on assisting those jurisdictions that are further behind in the delivery of preschool services. Funding from the final year will be on a four year old population basis. From the overall allocation \$3 million is being retained annually for national early childhood research, evaluation and data development activities, which will be based on an agreed work program. Of these funds, \$1 million is being set aside in 2008-09 to supplement the cost of the initial universal access projects commenced in 2008.
34. Funding will be provided to States and Territories on a six month payment cycle on the basis of six monthly reporting, with a more detailed progress report and acquittal to be provided annually (as outlined in Part 4). Details of the reporting requirements will be contained in bilateral agreements to this Agreement.
35. States and Territories may need to scope their implementation of this Commonwealth commitment to available funding, including Commonwealth and jurisdictions' own resources.
36. The review to be undertaken after 18 months will consider the adequacy of funding to achieve specified outcomes and outputs, as specified in the section on the review, in part 6.

**Table 2: Funding allocation for universal access (Financial Year)**

All funding allocated on the basis of projected four year old populations. First four years calculated with reference to a gap loading and a cost loading. Last year calculated without any loading.

\$ million	2008-09	2009-10	2010-11	2011-12	2012-13	Total
New South Wales	10.2	21.3	26.9	82.3	137.9	278.6
Victoria	7.4	15.3	19.3	59.1	109.5	210.6
Queensland	11.2	23.4	29.5	90.3	97.6	252.0
Western Australia	3.7	7.7	9.7	29.7	47.6	98.4
South Australia	2.5	5.2	6.6	20.2	30.9	65.4
Tasmania	0.7	1.5	1.9	5.9	10.4	20.4
Australian Capital Territory	0.4	0.9	1.2	3.6	7.1	13.2
Northern Territory	0.7	1.5	1.9	5.9	5.9	15.9
Total	37.0	77.0	97.0	297.0	447.0	955.0

Note 1. NP weights based on available data as at October 2008, and take account of existing gaps in the provision of preschool and other factors such as remoteness and disadvantage.

Note 2: \$3 million has been set aside in each year for data development and evaluation. Total funding is \$970m.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Dispute resolution

37. Any Party may give notice to other Parties of a dispute under this Agreement.
38. The relevant delegates will attempt to resolve any dispute in the first instance.
39. If a dispute cannot be resolved between the relevant delegates, it may be escalated to the relevant Ministerial Council or COAG Working Group for consideration.
40. If a dispute cannot be resolved by the relevant Ministerial Council or COAG Working Group, it may be referred by a Party to COAG for consideration.

### Review of the Agreement

41. This Agreement will be reviewed after the first 18 months. The review will have regard to progress made by the Parties against this Agreement and the attached bilateral agreements, and will specifically address:
  - (a) the adequacy of funding to achieve specified outcomes and outputs;
  - (b) the appropriateness of timelines;
  - (c) achievement of agreed outcomes, outputs and performance indicators;
  - (d) satisfactory compliance by governments with all financial and reporting requirements of this Agreement; and
  - (e) annual bilateral discussions to review progress against bilateral agreements, and outcomes and outputs as set out in this Agreement.
42. Amendments to the bilateral agreements can be requested by a State or Territory at any time, to accommodate emerging issues. These amendments will be agreed with the Commonwealth and the other Parties.
43. At the end of the Agreement, following a review of progress towards stated outcomes, COAG will make a decision on the form of any additional assistance to continue to make progress towards the outcomes.
44. There are a number of implementation challenges associated with implementing the proposals described in this Agreement and the Parties commit to working together to address any issues related to these challenges that arise. Examples of these challenges include:
  - (a) different starting points in the provision of preschool programs in each State and Territory;
  - (b) shortages of trained workers across the early childhood education and care sectors, particularly in remote areas;
  - (c) significant geographical dispersion of remote Indigenous communities;
  - (d) identifying those who would benefit most from services;
  - (e) availability of data sets to measure progress against the performance indicators in this Agreement; and

- (f) world economic conditions and sustainability of existing providers impacting projections of market growth, given the key role of the private market in delivery of early childhood education and care.

## Variation of the Agreement

- 45. The Agreement may be amended at any time by agreement in writing by all the Parties and under terms and conditions as agreed by all the Parties.
- 46. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

## Data Strategy and Evaluation of the Agreement

- 47. This Agreement's effectiveness in achieving its outcomes will be determined through a comprehensive national evaluation to be undertaken throughout the life of the Agreement. The evaluation strategy will be developed by the Commonwealth in partnership with the States and Territories by 30 June 2009. The evaluation strategy will be consistent with any future decisions made by COAG on this subject and will provide the framework for the final report to COAG in June 2014.
- 48. The Commonwealth and the States and Territories will collaborate to improve data collection, and to undertake research and evaluation on early childhood interventions for performance monitoring and accountability purposes, and to strengthen the evidence base to inform policy. This will include the collection and analysis of data against the outcomes, outputs and performance indicators identified in this Agreement, as well as the progress and performance against each of the attached State and Territory bilateral agreements. An initial baseline data study will provide a basis from which to monitor and evaluate progress over time. It will also include agreed data definitions and sources, base lines and reporting protocols.

## Consultation and engagement

- 49. Consultations surrounding the delivery of this Agreement are fundamental to its success and the achievement of its objectives as outlined in Part 3. Engagement with all key partners and stakeholders, including but not limited to early childhood service providers (including non government organisations), parent and community groups, Indigenous communities and industry peak bodies, should be ongoing for the duration of this Agreement.
- 50. All jurisdictions agree that priority areas for public consultations to be initiated at the earliest opportunity by the States and Territories include the implementation of universal access and the development of the early childhood development strategy.

The Parties have confirmed their commitment to this agreement as follows:

**Signed** *for and on behalf of the Commonwealth of Australia by*

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**The Honourable Kevin Rudd MP**  
Prime Minister of the Commonwealth of Australia  
February 2009

**Signed** *for and on behalf of the State of New South Wales by*

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**The Honourable Nathan Rees MP**  
Premier of the State of New South Wales  
December 2008

**Signed** *for and on behalf of the State of Queensland by*

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**The Honourable Anna Bligh MP**  
Premier of the State of Queensland  
December 2008

**Signed** *for and on behalf of the State of South Australia by*

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**The Honourable Mike Rann MP**  
Premier of the State of South Australia  
December 2008

**Signed** *for and on behalf of the Australian Capital Territory by*

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**Jon Stanhope MLA**  
Chief Minister of the Australian Capital Territory  
December 2008

**Signed** *for and on behalf of the State of Victoria by*

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**The Honourable John Brumby MP**  
Premier of the State of Victoria  
December 2008

**Signed** *for and on behalf of the State of Western Australia by*

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**The Honourable Colin Barnett MP**  
Premier of the State of Western Australia  
December 2008

**Signed** *for and on behalf of the State of Tasmania by*

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**The Honourable David Bartlett MP**  
Premier of the State of Tasmania  
December 2008

**Signed** *for and on behalf of the Northern Territory by*

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**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia  
December 2008