

AIHW submission to the PC Inquiry into Child Care and Early Childhood Learning

1. Introduction

In November 2013, the Australian Government announced an Inquiry into Child Care and Early Childhood Learning. The objectives of the Inquiry are to examine and identify future options for child care and early childhood learning that:

- Supports workforce participation, particularly for women
- Addresses children's learning and development needs, including the transition to schooling
- Is flexible to the needs of families, including families with non-standard work hours, disadvantaged children, and regional families
- Is based on appropriate and fiscally sustainable funding arrangements that better support flexible, affordable and accessible quality child care and early childhood learning (PC 2013).

This submission provides information that is pertinent to the scope of the inquiry, with a focus on the first two dimensions noted above.

The submission describes how accurate and high quality data and information is vital in supporting, building and enhancing the evidence base. This submission also demonstrates how linking information from multiple data sources can improve knowledge, and potentially improve policy making, program management and service delivery. To demonstrate this for early childhood, the submission highlights an AIHW project, the National Early Childhood Development Researchable Data Set (ECD RDS), to show the opportunities that may come from linked data sets. It also describes some of the barriers that the AIHW has encountered and continues to encounter in developing this linked data. Additionally this submission contains early details of work currently underway by the AIHW on preschool participation and affordability that may be of interest to the inquiry. Work relating to Indigenous Australians and early childhood learning is also provided.

2. AIHW work related to childcare and early childhood learning

The Australian Institute of Health and Welfare (AIHW) is the national agency set up to provide information and statistics on Australia's health and welfare. It is a statutory authority accountable to the Australian Parliament, and is governed by a management Board. AIHW's work informs debate and decisions on policy and services. We have a strong commitment to providing independent and objective information and advice in all our work.

The AIHW has a long history in providing data, information and reporting on childcare. This information has been provided in a series of dedicated publications covering areas such as services and trends in child care; data development and reporting indicator frameworks (AIHW: Moyle et al 1996; AIHW: Moyle et al 1997; AIHW 2002, 2004 2006, 2009, 2011, 2012 and AIHW: NCSIMG 2007). The AIHW's biennial flagship publication, Australia's Welfare (AIHW 2001, 2003, 2005, 2007, 2009, 2010, 2011, 2013) consistently reports on areas of relevance including children, childcare; early education participation; cost of early education;

labour force participation including maternal workforce participation, income; and trends of community services employment.

Australia's Welfare notes that the most common working arrangements for couples with children under 15 was for both parents to be working (63%), this often indicated that the female partner was working part time (40% of couple families). Between 1999 and 2011 the proportion of couple families with children aged under 15 years in which both parents were working increased from 55% to 63%. Women made up 86% of one parent families, with only 54% of these families likely to be employed. Of those employed, part-time employment was most common (AIHW 2013). The age of the youngest child of the mother is also an important determinant in women's workforce participation (AIHW 2013).

In 2011, there were approximately 300,000 children aged 4-5 in Australia (ABS 2013). The National ECEC Collection indicated that 89% of children were enrolled in a preschool program in the year before full-time schooling and 86% of children were attending a preschool program for at least 1 hour a week (ABS 2012). This figure does not significantly change when compared across remoteness categories in Australia, however, attendance at preschool or long day care (for children aged 3-6) appears to have increased from 80% since 2008 (ABS 2009).

The number of people employed in child care and early childhood learning (consisting of child care centre managers, early childhood teachers and child care workers) in 2011 was 135,804. Since 2006, the number of childcare workers has increased by 25% (AIHW 2011c). The number of child care workers decreases by remoteness from 504 per 100,000 population in *Major cities* to 388 in *Remote and Very Remote* areas.

2.1. Data development and reporting frameworks

The AIHW also has considerable experience in data development and statistics on Child Care and Early Childhood Learning. Notably, the AIHW is responsible for reporting against the:

- *Key National Indicators of Child Health, Development and Wellbeing*, a framework consisting of 56 indicators covering topics such as health status and outcomes, risk and protective factors that can influence health and wellbeing, early learning and education, family and community environments, safety and security and system performance.
- *Headline Indicators for Children's Health, Development and Wellbeing*, a core set of 19 indicators in the areas of health, early education and care, and family and community designed to focus policy attention on identified priority areas for children aged 0-12.

The AIHW has also been responsible for the development of the *Early Childhood Development Outcomes Framework*, consisting of 20 indicators for the Early Childhood Development Strategy.

The indicators from these reporting frameworks with the greatest relevance to this submission include: attendance at early childhood education programs, quality of early childhood education and care services, accessibility of early childhood education and care services, home-based early learning, transition to primary school, school attendance and school engagement. A focus of AIHW reporting is on groups of children, including Indigenous children, children from culturally and linguistically diverse backgrounds and children living in remote or disadvantaged areas (AIHW 2011a, 2011b, 2012).

The AIHW contributes information on outcomes for children in relation to Early Childhood Education and Care (ECEC). Since 2009, under the National Information Agreement on Early Childhood Education and Care (NIA ECEC), the AIHW has managed the development of data standards for the ECEC National Minimum Data Set (NMDS), which underpins the National ECEC Collection. The ABS publishes *Preschool Education, Australia* annually based on the National ECEC Collection (ABS 2013). The ECEC NMDS provides common reporting through the continued development and implementation of national uniform data standards and classifications that provide consistency within a collection and allow for data to be integrated across collections.

2.2. Early Childhood Development Researchable Data Set (ECD RDS)

The AIHW has put in place processes and protocols to link multiple health and education data from jurisdictional and national data sources in order to develop a linked national early childhood development researchable data. This is intended to foster research in early childhood development, across health, human services and early childhood education and care.

The National Early Childhood Development Researchable Data Set (ECD RDS) will be a national de-identified linked data set on children from birth to the early years of schooling. For each child, it will contain information on health, development, school readiness, early childhood education and care, school attendance and educational achievements. The aim of the ECD RDS is to produce an ongoing linked data set that contains information about children from birth to the early years of schooling, which will be a valuable ongoing resource for policy, research statistical and purposes. The main role of the ECD RDS will be to provide an evidence base on early childhood development in Australia. A data set such as the ECD RDS has immense potential to strengthen the evidence base for child development, from which sound policies and programs can be developed.

The ECD RDS is designed to provide coverage of all children in Australia, including those who move between states and territories. The ECD RDS will provide large enough numbers to permit robust analyses of outcomes for particular population groups (such as Indigenous children or children from a non-English speaking backgrounds), and the ability to analyse the impacts of particular policies and programs within and between states.

2.2.1. Benefits of the development of a linked data set

Once created, the linked data set will allow investigators to answer a number of important research and policy questions, such as:

- What is the relationship between the time spent in formal preschool and/or child care, and the child's early schooling outcomes
- Do vulnerable children have better outcomes at school if they attend an early childhood education program? How does the influence of early childhood education programs vary by for example the number of days attended, the type of service or where the child lives
- What are the most important individual, familial, contextual, and policy factors that lead to better developmental and educational outcomes for Indigenous children?
- Do children who move between states have different developmental and education outcomes to children who don't?

Under the NIA ECEC, a review of the workplan was specified as part of the Agreement's operations. The review was undertaken by the South Australian Centre for Economic Studies and the final report was delivered in August 2012. The review noted that the 'ECD Researchable Data Set is potentially invaluable in leveraging the existing population health, social epidemiology and public policy economic capabilities in this country to focus their multidisciplinary lenses on the ECEC and ECD space' (SACFES 2012).

2.2.2. Challenges in the development of a linked data set

Currently the AIHW is progressing with the processes to gain approval to procure and link data, including seeking relevant approval from state and territory ethics committees, and preparing formal agreements with data custodian agencies. Some organisations have indicated difficulties in providing data, but expressed support for the ECD RDS, and the AIHW continues to work with them to try to resolve these issues. In order to continue the procurement and development of the ECD RDS, the AIHW will require additional funding.

The AIHW has encountered significant challenges to establish this linked data set including the multiplicity of ethics committees and data custodians approvals processes, the complexities of retaining data over a long period of time (since the ECD RDS is an ongoing linked data set), privacy and legislative constraints and determining how to make data available to external researchers .

The developmental stages of this data set revealed differences between jurisdictions in their data linkage capabilities and in the processes required to approve information release and provide data. These are sometimes significant and can create barriers to the procurement of data across health and education sectors.

In the event that this project does not gain further support, the momentum and stakeholder relationships developed could collapse and the project would lose the traction that it currently has.

2.3. Preschool Affordability

The AIHW has been funded by jurisdictional officials responsible for early childhood to undertake a project that investigates the predictors of use of preschool and long day care. The preliminary findings indicate that free or low cost availability of preschools encourages

participation of children and that targeted social marketing on the benefits of preschool increases participation in preschool, particularly for disadvantaged and non-English speaking families. The report is expected to be finalised by May 2014. The AIHW would be happy to speak to Commission staff about this work, if required.

2.4. Indigenous specific work related to early childhood development

The Closing the Gap Clearinghouse is an online collection of research and evaluation evidence on what works to overcome Indigenous disadvantage in seven critical areas or building blocks. Action in these areas supports the Council of Australian Governments (COAG) closing the gap targets. The resources of the Clearinghouse are designed to ensure that evidence-based resources are readily available to support the needs of Commonwealth, state and territory government policy makers, the agencies and services they fund, and the wider community. The Clearinghouse is a COAG initiative jointly funded by all Australian governments. It is being delivered by the Australian Institute of Health and Welfare in collaboration with the Australian Institute of Family Studies.

The Clearinghouse has developed two issue papers relating to early childhood development: 'Review of early childhood parenting, education and health intervention programs for Indigenous children and families in Australia' (to be released in February 2013) and 'Improving the early life outcomes of Indigenous children: implementing early childhood development at the local level' (released December 2013).

These papers find significant gaps between Indigenous and non-Indigenous outcomes in early learning that contribute to lifelong disadvantage across health, educational achievement and wellbeing. A copy of these papers is provided at **Attachment A**.

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