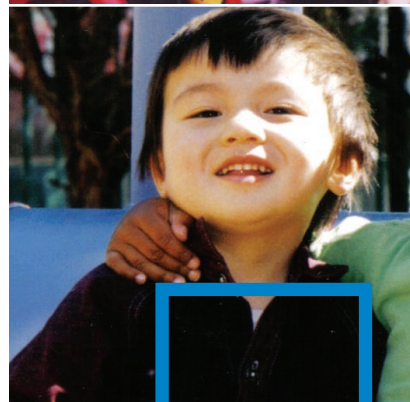
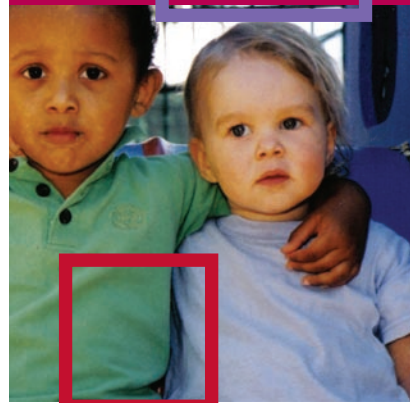


Kindergarten Parents Victoria
Budget Priorities
Submission for
2006–07 to the
State Government



Message from the CEO

Gerard Mansour, CEO of KPV, says, "We call on the state government as part of its budget announcements in 2006 to continue its commitment to building our early childhood education system so all children, regardless of ability, race, culture, gender or financial circumstances receive the best start in life.

There is a plethora of research that demonstrates that high quality early childhood education has significant educational and well-being benefits for children and families as well as economic and social benefits for the whole community.

Targeted funding is required to ensure that early childhood education is truly universal".



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Executive summary

Kindergarten Parents Victoria (KPV) represents more than 1,000 centres who provide kindergarten education to more than 200,000 Victorian children and families.

KPV is the leading peak, not-for-profit, non-government organisation that promotes, develops and sustains early childhood education. KPV represents employers who provide kindergarten programs across Victoria including parent committees and kindergarten cluster managers.

KPV welcomes the State Government's document *Putting Children First – the next steps*. This document acknowledges the opportunity

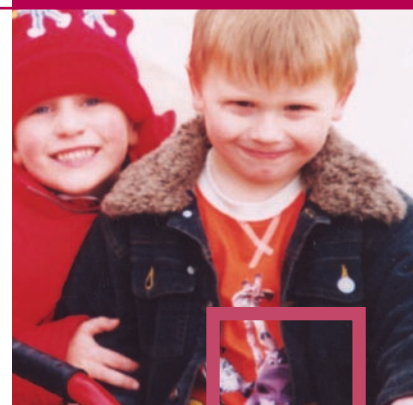
that kindergarten education provides to ensure the long-term benefits for children's learning and for building strong community cohesiveness. Unfortunately, for community-managed kindergartens, government dollars do not currently match the government principles.

This KPV *Budget Priorities Submission* identifies key budget priorities for each of the Government principles. These are also aligned to KPV's *Vision 2001 – preparing children for life* which outlines our vision for early childhood education. The *Vision 2011* summary document is included.

Summary of KPV's budget priorities

Education for life	1.	Reduce parent fees for families most in need	\$8.05 million
Universally inclusive	2.	Further funding to provide access to kindergarten programs for children with additional needs	\$1.375 million
	3.	Accessing two years of kindergarten education	\$5.5 million
Cohesive services system	4.	Information technology funding	\$1.3 million
Involved community	5.	Cluster management funding and support for parent management committees	\$0.8 million
Excellence and innovation	6.	Sustainable system of kindergarten education	\$0.5 million
	7.	Develop a quality accreditation system	\$1.9 million
	8.	Rectify the employee portability of leave crisis	\$3–4 million
Responsive and flexible	9.	Capital works improvement	\$10 million

The kindergarten funding decisions made in the next State Government budget will directly impact more than 200,000 Victorians from children, parents, teachers and local community, who all play a substantial role in sustaining our community-managed kindergarten programs in Victoria.





The Government principles say*:

“Investment in children should promote positive child development and learning through a universal system of support to ensure every Victorian child has the services they need to advance their education, health and well-being.”

The KPV Vision 2011 says:

“Every child receives a quality early childhood education experience delivered by qualified childhood teachers. Every child benefits from increased government investment in early childhood education.”

I. Reduce parent fees for families most in need

FACT:

- Following representation by KPV, the Government has committed to fully fund the additional salary costs arising from *MECA 2005*.
- There are still over 4000 Victorian children who do not attend a kindergarten program, many of these due to the inhibitive cost of parent fees.
- Parent fees have grown at a rate considerably in excess of the Consumer Price Index (CPI) since the introduction of ‘per capita’ funding at the end of 1993—parent fees have increased ten fold.
- Additional government funding for kindergarten education since 2000 has not yet reduced the cost of parent fees.
- Parents contribute almost half of the resources needed to maintain an average four-year-old kindergarten through a combination of parent fees, volunteer labour and fundraising.
- There are currently 25 small rural kindergartens facing a viability crisis due to the low number

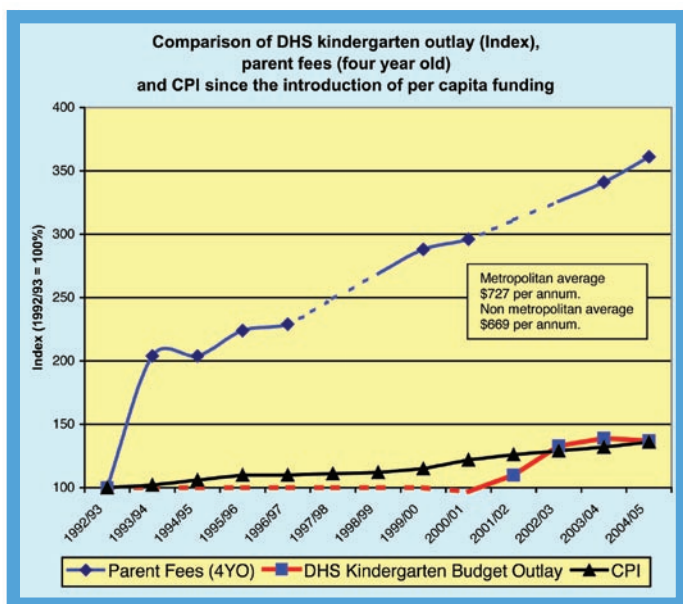
of enrolments and an inability to meet the funding gap with parent fees. Under an existing anomaly, kindergarten funding for our vulnerable small rural kindergartens is far less than the cost of salaries placing enormous financial burden on families.

FUTURE: Increase funding by \$8.05 million

- Increase kindergarten funding so that 17,000 families who currently hold Health Care Cards and attend kindergarten each year will have no parent fees—this will provide targeted and much needed financial support to families most in need. This fee subsidy could be phased in over a three-year period, and would require two categories – one for rural families and one for metropolitan families – set at 100% of statewide average parent fees. (Funding of \$5,650,000)
- Introduce a new Kindergarten Gap Subsidy to support families who currently miss out on benefits such as the Health Care Card—often referred to as the ‘working poor’. This Kindergarten Gap Subsidy should be set at 50% of the statewide average of parent fees (\$350 per child in 2005). (Funding of \$2,100,000)
- The Kindergarten Gap Subsidy could be funded through the Community Support Fund and distributed by the Early Childhood Education Foundation, a trust established by KPV to support children who are unable to access kindergarten due to financial hardship. This would ensure that those who are eligible receive the subsidy.
- Provide additional financial support for small rural kindergartens with less than ten children. (Funding of \$300,000)

**Putting Children First - the next steps.*

Chart 1a – Changes in funding and parent fees compared to CPI since the introduction of per capita funding



Sources:
Parent fees: 1992/93 to 1996/97, Auditor Generals Report, Child Care & Kindergartens (1998); 1999/2000 to 2000/01 & 2003/04, KPV Survey. Total Government Outlay: 1993/94 Department of Finance, Historical & Forward Estimates; 2005/6 Department of Treasury & Finance Budget Estimates.
Note: Dotted lines denote data not available.

Parent fees continue to rise

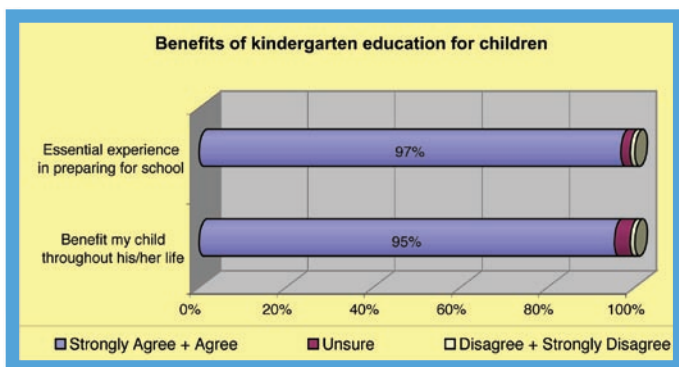
The introduction of per capita funding in 1993 directly resulted in parent fees continually rising. Since 2000, there has been consistent growth in the level of Government funding for kindergarten education compared to CPI, and these increases have been directed primarily towards additional staff salary costs.

Four-year-old parent fees continue to increase steadily, with the metropolitan average of \$727 per annum and the non metropolitan average of \$669. This means that since 1992/93, parent fees have increased 7.25 times faster than CPI.

Prior to the introduction of per capita funding in 1993, Government funding met the cost of staff salaries in full.



Chart 1b – The importance parents place on kindergarten



Source:
KPV Parent Survey 2005

Parents want quality programs

Parents highly value kindergarten education both because it is an essential experience in preparing children for school and attendance benefits children throughout their life.

Universally inclusive



The Government principles say:

"Within a universal framework additional resources should be directed towards communities where outcomes for children are poor or where the risk factors for poor outcomes are high."

The KPV Vision 2011 says:

"There is universal participation in two years of funded kindergarten education prior to school. All children develop to their full potential; their background, abilities, language and culture respected. There is support, resources and staffing to meet the diverse requirements of children with additional needs."

2. Children with additional needs

FACT:

- Many children who are deemed by professionals as needing support miss out because of the restrictions in current funding guidelines. A random KPV phone poll of almost 100 centres showed that 26% of children considered by professionals to meet the guidelines had their funding application refused.
- The strict guidelines of the existing Kindergarten Inclusion Support Services (KISS) means only those children who have very high support needs can access key extra resources, such as additional assistants. Each year there are hundreds of children with additional needs who are denied access to KISS funding. For example, children with hearing impairment or speech delay who may also have behavioural difficulties are regularly deemed ineligible. This places enormous pressure on families, children, staff, committees and employers.
- It is extremely difficult for kindergartens to cater for children with additional needs unless these extra resources are available in a flexible manner.
- The phone poll also showed that, in addition to children for whom KISS funding was sought, teachers identified almost twice as many children who also needed additional resources but no source of funding was available.
- Committees and teachers regularly report a lack of support and resources to help provide the best education experience for children with challenging behaviours.

FUTURE: Increase funding by \$1.375 million

- A 25% increase in the number of places under the Kindergarten Inclusion Support Service program so that children with additional needs can access kindergarten education. This will ensure children who are at risk and currently missing out on kindergarten education or having reduced hours can access the resources necessary for successful inclusion. (Funding of an additional \$1,125,000 per annum)
- Extend current guidelines and the definition of 'eligible children' to include those deemed by professionals to be in need of a flexible range of additional resources.
- Develop and implement a comprehensive training and professional development strategy for staff, including piloting an action research and mentoring strategy to increase knowledge and skills of teachers to address the needs of children with challenging behaviours. Funding is required to allow training for 500 teachers per year. (Funding of \$150,000 per annum)

KPV telephone survey – October 2005

The following is a sample of comments taken from a KPV phone poll of almost 100 centres conducted in October 2005. Teachers were asked a series of questions about resources for children with additional needs. These comments demonstrate the need for criteria to change when assessing eligibility for the KISS program:

"It's too difficult to get funding for borderline children, the criteria and forms are too complex."

"Funding needs to be more accessible and the criteria needs to be reviewed."

"Timing of applications is in the most busy period of the year; also teachers find it hard to fill applications considering they have little or no prior knowledge of the child's needs or disabilities."

"Funding applications need to be available part way through the year. Funding is not enough, ie needs to be more hours."

"Not enough money or hours and the criteria is too strict."

"Three children who don't fit criteria, still require high support, program would benefit from extra support."

"Funding needs to be available for three year olds."

"If funding was available for three year olds then less help would be needed for the four year group."

"Multi-language support for assessing children is needed."

"Need money for equipment for special needs children/programs."

3. Accessing two years of kindergarten education

FACT:

- Parents want access to two years funded kindergarten education in the years prior to school. The KPV Parent Survey 2005 demonstrates that 84% of parents believe all children should access two years of funded kindergarten education.
- International research consistently points to the importance of all children having access to kindergarten education. Gibbs (2004), commenting on the growing awareness of the relationship between quality early childhood education and outcomes for children, notes “in almost every article, study and report the following words are found somewhere in the text: ‘children who attend high quality preschool are more successful [sic] both academically and socially’”.
- Despite rapid growth in the number of children who access three-year-old kindergarten, the cost of parent fees means that three-year-old kindergarten education is not affordable for many families as there is no government funding for three-year-old kindergarten programs.

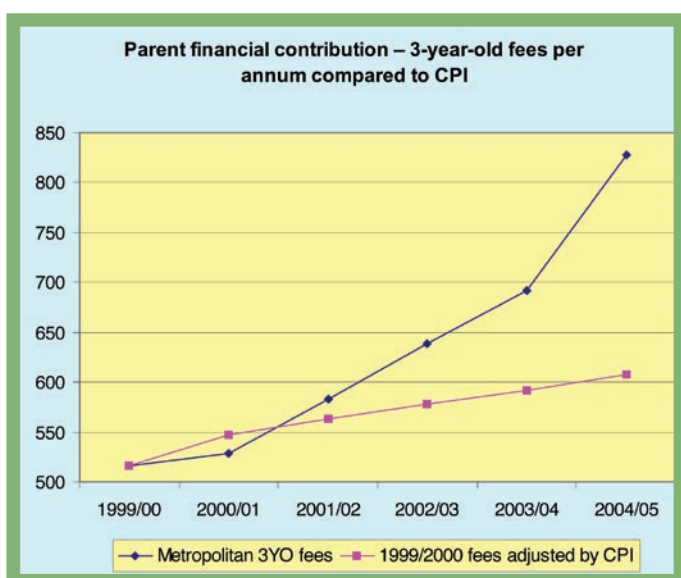
- Priority needs to be given for all children to access at least one year of kindergarten education in the year before school. However, there is substantial scope, given the high level of parent demand and strong research basis, for children to access two years of funded kindergarten education.

FUTURE: Increase funding by \$5.5 million

- KPV recommends that the Government gives priority to developing a strategy for all children to access two years of kindergarten education prior to school entry.
- Assessing the long-term benefits of access to two years of kindergarten education should be a priority of the Victorian Children’s Council research agenda.
- Government to phase in access to two years of kindergarten education by initially prioritising 17,000 families most in need. That is, the current Health Care Card subsidy be extended so that families can access a ‘fee subsidy’ for children to attend a three-year-old kindergarten program. (Funding of \$5,500,000)



Chart 3 – The high cost of three-year-old kindergarten



Sources:
KPV surveys

Steep increase in three-year-old fees

Three-year-old parent fees in metropolitan areas have risen by an average of over 60% in the last five years to just over \$800 per annum. Teachers’ salaries have increased significantly since 2001/02. The increased cost of providing programs is passed on to parents through increased fees.

Cohesive services system



The Government principles say:

“Services should be more integrated with each other, co-located physically where this meets local needs, and delivered within a coordinated, system wide and multidisciplinary approach to service planning and delivery.”

The KPV Vision 2011 says:

“There are strong and sustainable linkages and coordination between services and professionals. There is a coordinated and resourced system of early childhood education and learning.”

4. Information technology funding

FACT:

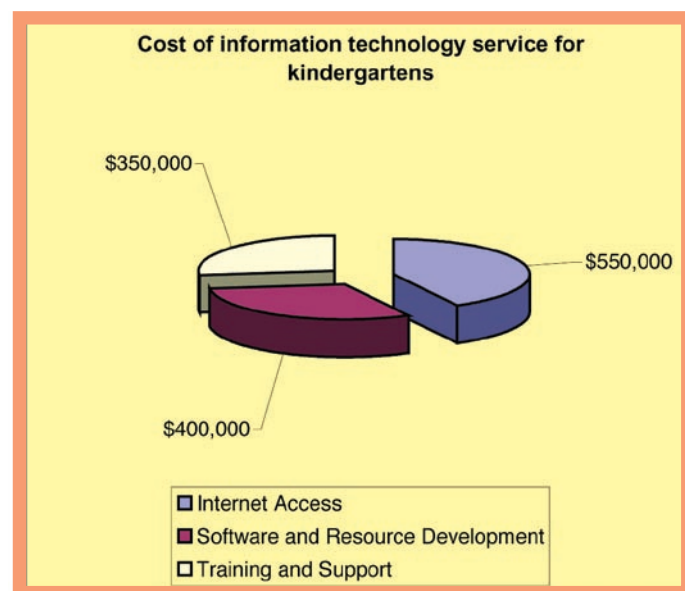
- Each funded kindergarten service received a government supplied computer and Internet access.
- There is no recurrent funding for Internet connections or computer training for staff and committees.

- With parent fees already high, adding these costs into a centre budget may be prohibitive.
- Computers and Internet access are now widely accepted throughout society as a necessary administrative and communications tool. Government currently does not provide any recurrent funding to kindergartens supporting this vital technology.

FUTURE: Funding increase of \$1.3 million

- Recurrent funding for an Internet connection at all community-managed kindergarten locations. (Funding of \$550,000)
- Help desk support and professional development training for staff, committees and employers. (Funding of \$350,000)
- Software and resource development. Kindergartens need the IT tools to develop business opportunities and stream line administration. (Funding of \$400,000)

Chart 4 – Funding required for information technology



Information technology support must be funded

IT is an important part of our business community now, and these costs must be met by Government so as not to increase the burden on parent fees.

Involved community

The Government principles say:

"Investment in children should ensure activities and services that are responsive to diverse local needs, promote community collaboration and give local communities a significant say in planning and delivering services."

The KPV Vision 2011 says:

"Parents are partners with early years professionals in providing quality early childhood education. Active parent committees and parent participation in program delivery are central to community involvement with early childhood education."

5. Cluster management funding and support for volunteer parent committees

FACT:

- Parents value their contribution to kindergartens and gain many benefits, from developing new skills to increasing knowledge about children.
- 82% of respondents to the KPV Parent Survey 2005 believe that their children benefit most from early childhood education when their parents are actively involved in the centre their child attends.
- Community kindergartens play a vital role in developing community capacity and building

communities. Voluntary committees of management contribute an average of 19 hours per week to the running of their kindergarten (KPV Survey 2004).

- The Department of Human Services initiative, 'Cluster Management', encourages groups of stand-alone kindergartens to share resources and skills to help reduce the administrative strain and statutory responsibilities of volunteer management committees. In 2005, a little over a third of community-managed kindergartens (including local government) are within a cluster; whilst maintaining parent involvement in decision-making and delivery of the kindergarten program.

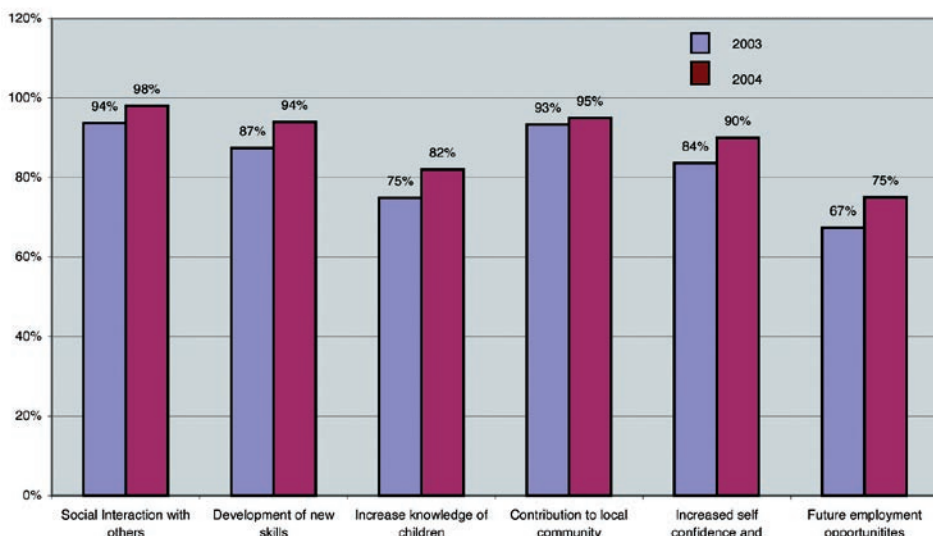


FUTURE: Funding increase of \$0.8 million

- Further funding for another 100 services to enter 'Cluster Management' models. (Funding of \$500,000)
- Introduce an integrated planning strategy at local level and provide more support for flexible kindergarten programs to meet the needs of children, families and local communities.
- Funding for a KPV initiative to introduce a new collaborative service planning model across a network of early years providers including cluster managers, stand-alone kindergartens, childcare centres and children's hubs. (Funding of \$300,000)

Chart 5 – The value of parent involvement in community-managed kindergartens

Personal benefits from involvement on parent committee



Source: KPV Survey 2003-04

Benefits of parent involvement

The value of parent involvement in kindergarten can be measured by the personal benefits parents receive from participation, in addition to the contribution made through voluntary labour and fundraising.

Excellence and innovation



The Government Principles say:

"Mechanisms should be developed to ensure policies, programs, activities and services are reviewed continually to make certain they are of the highest quality and are based on the best available evidence, not driven by historic processes and structure."

The KPV Vision 2011 says:

Staff are respected, valued, appropriately remunerated and have access to quality professional development. Early childhood educators are innovative and continuously expanding their knowledge and skills.

6. System of kindergarten education

FACT:

- There has been limited opportunity for kindergartens to develop longer term plans to ensure sustainability and viability. Key issues related to workforce development, industry development and planning have yet to occur on a statewide basis.
- Strategies are needed to ensure a sustainable statewide system of kindergarten education is implemented. Participation in professional development activities is a key indicator of quality teaching.
- There has been an increase in recent years in the number of children with complex medical conditions and needs attending children's services.

FUTURE: Increase of \$0.5 million

- Full government funding for total additional costs of staff wage increases, that is wage and wage related on costs. (Full additional funding for *MECA 2005*)
- Increase Preschool Price Index (currently 3.75% in 2005) so that the full additional costs of staff salaries, including wage on costs, are met by extra government funding. (Increase of 3.75 for three year *MECA 2005*)
- Develop and implement, in collaboration with KPV, a Workforce Plan to address key recruitment and retention strategies. This includes additional professional development, mentoring programs and incentives to attract teachers to rural and remote locations; training for Anaphylaxis management; and funding support for KPV/LGCC Early Childhood Education Conference. (Funding of \$500,000)

7. Quality accreditation system

FACT:

- There is currently neither a system of accreditation nor a curriculum framework in early childhood education that provides guidance and accountability for the education.

FUTURE: Increase funding by \$1.9 million

- Introduction of a funded quality accreditation system for all kindergarten program types at \$850 per program. (Funding of \$1,900,000)

8. Rectify portability of leave crisis

FACT:

- The Kirby and Harper Preschool Review (2001) commissioned by the State Government recommended, "that the Department of Human Services take immediate steps to identify and cost the options for safeguarding the long service leave and sick leave entitlements of preschool centre staff. This assessment should be undertaken whether the existing employment arrangements for those staff continue or new arrangements are put in place".
- In the 1980s, legislation was passed that provided portability of both long service and sick leave for Victorian kindergarten teachers and assistants.
- As a result of this, and in the absence of any central Provisions Fund, individual kindergarten managers are now placed at substantial financial risk. This includes both cluster managers and those kindergartens managed by volunteer parent committees.
- Each employer faces a shortfall of many thousands of dollars.

FUTURE: Funding increase of \$3–4 million

- Government to financially support the establishment of a Leave Provisions Fund in partnership with KPV. This will also require the Government to bring forward cash allocations to meet its proportion of leave liability for kindergarten staff. It will address critical governance and management issues facing kindergartens.

**Subject to ongoing analysis about funding levels required to establish a sustainable Leave Provisions Fund.*

Responsive and flexible

The Government principle says:

"Investment in children should ensure activities and services that are responsive to diverse local needs, promote community collaboration and give local communities a significant say in planning and delivering services".

KPV Vision 2011 says:

Families have access to flexible early childhood settings that deliver quality early education programs. Government capital works funding updates ageing community buildings and supports flexible programs."

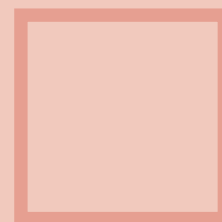
9. Capital works improvement

FACT:

- Kindergartens are suffering from ageing facilities.
- Centres have identified program and service gaps and are interested in providing various children's programs and additional services to complement kindergarten education.
- Committees and local governments have recognized that kindergartens are a valuable community facility that can have broader use.
- Infrastructure needs to meet the changing needs of families and the community, with service buildings being more flexible and providing multi uses to meet community needs.

FUTURE: Funding increase of \$10 million

- Kindergartens have access to a new capital works program of up to \$250,000 that funds alterations and extensions that encourage more flexible and multi uses of community facilities.
- Ageing buildings are adequately funded to ensure major repairs are possible by building a permanent and rotational capital works program that would allow all funded kindergarten buildings to be repaired and renovated over a 20 year period.





KPV
Kindergarten Parents Victoria Inc

**develop
promote
sustain**
early childhood education

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