

DRAFT SECOND READING SPEECH

HON. JEREMY ROCKLIFF MP

Education Amendment Bill 2017

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Madam Speaker,

I move that the Bill now be read a second time.

Last year Parliament passed a new Education Act for Tasmania following a comprehensive review and consultation process over several years.

As part of that Act, Parliament agreed to extend the compulsory years of education and training. The change to an earlier school starting age passed the Parliament, subject to further investigation on implementation of the change and consideration by Parliament.

Let me remind Honourable Members of the requirements and the reasons the Government proposed an earlier school starting age.

The change to the starting age was proposed as one mechanism to address the entrenched disadvantage experienced by Tasmanians, and to improve individual outcomes. The social and economic challenges faced by Tasmania are complex and long-standing and include:

- below average life expectancy,
- the highest numbers of people in Australia self-reporting their health as fair or poor,
- lower productivity than Australia as a whole, with the gap widening over the past 20 years,
- the highest levels of poverty in Australia, and
- the highest levels of disadvantage amongst preschool-aged children in Australia.

We must continue to find ways to improve the life choices and chances of the people of Tasmania. We should - and must - do this with urgency. We must break the cycle of disadvantage experienced by successive generations. Participation in quality early learning has a vital role in doing this.

Research consistently shows that quality early learning has significant benefits for children that flow through to adulthood, particularly for those children who engage for two years prior to commencing formal schooling. Moreover, research shows that investment in the early years has higher rates of return than investment in the later years of schooling, higher education or training. This is particularly the case for disadvantaged children.

The Government's view is that access to high quality early learning sooner is best for all Tasmanian children.

And there are those in the community that strongly support this view. There are, however, also those who have been opposed to the voluntary earlier school starting age for a variety of reasons, including the economic effect it may have on the early childhood education and care sector.

This issue was the subject of much debate during the passage of the Bill through Parliament. Ultimately, the *Education Act 2016* passed the Parliament, subject to further consultation on implementation of the voluntary earlier school starting age and consideration by Parliament.

Let me remind Honourable Members of the requirements set out in the Act on this matter. Under the Act, I am required to make an Order for the commencement of sections 8 and 9 of the Act, which relate to the starting age for Kindergarten and enrolment in the first year of education following Kindergarten (Prep).

Before doing so, I must first consider a written implementation report and recommendations from the Secretary of the Department of Education in relation to the social and economic impacts of the change on the Tasmanian early childhood education and care sector and Tasmanian children and their families.

In developing her report, the Secretary was to consult with the reference group established in 2014 for the review of the Education Act and anyone else she chose, including but not limited to the early childhood education and care sector.

Parliament must then consider the Order and the report and has the power to disallow the Order.

The Order must be gazetted by 1 September 2017 and then it and the report must be tabled in Parliament within 10 sitting days.

In developing her report, the Secretary sought input from as many services across the ECEC sector as possible to ensure the Report presented a comprehensive picture of the social and economic impact on the ECEC sector and children and their families, and any recommendations were tailored to meet the needs of the sector in the implementation phase.

A number of information streams fed into development of the Report, including:

- Work by KPMG on the economic and social impact of the changes on the ECEC sector and possible support options.
- Consultation facilitated by Mr Michael White, Director of MW Group Consulting. Mr White's consultation focused on identifying positive ways the Government could support the early childhood education and care sector through implementation of the earlier school starting age.
- Discussions with the Stakeholder Reference Group (established under the Education Act Review) and the Early Years Reference Group. Membership of these groups includes representatives from the early childhood education and care sector.
- Consultation with the list of stakeholders and early childhood education and care experts identified by the Legislative Council when the Education Act was considered in November 2016.

There was strong interest and reasonably good engagement in the consultation process by the ECEC sector. In 2016, a Regulatory Impact Statement (RIS) process was run in conjunction with release of the draft Bill. The ECEC sector did not engage particularly well with that process, with a small number of responses and information provided at such a high level, without supporting detail, analysis or evidence, it was difficult to thoroughly assess the impacts on the ECEC sector. The work undertaken by KPMG has assisted in filling in some of the gaps in the RIS process.

The work undertaken by Michael White and KPMG was also very helpful in providing advice on the sort of support that would be helpful for the sector in the transition.

Madam Speaker, I am now in a position to confirm that consultation on implementation of the voluntary earlier school starting age overwhelmingly reflects that it is likely to have a significant negative impact on the ECEC sector, with reductions in sessions delivered and revenue incurred, as well as loss of employment for staff working in the sector. The negative impact will generally be greater in rural and regional Tasmania.

The ECEC sector is currently operating in an environment of change. The Australian Government has introduced reforms to funding arrangements, and the sector is being affected by changes in demography and market forces. These challenges are likely to impinge on the sector's ability to withstand the impacts of implementing the voluntary earlier school starting age. Many services are already vulnerable, with 63 per cent of respondents that provided financial data to the KPMG survey indicating they are already operating at a loss.

Based on the findings from consultation, the Secretary has concluded that, on balance, given the environment the sector is operating in, the economic impact on ECEC services is such that the change to the earlier school starting age should not go ahead.

In reaching this conclusion, the Secretary considered a range of mitigation strategies to off-set the impact, some suggested through consultation, and others identified by the Department that build on work already underway to improve early learning in Tasmania. While these actions would mitigate the effect to some extent, they could not mitigate all losses. And the extent to which they would be mitigating the impacts of the earlier school starting age compared to the effect of issues that are outside of the Government's control, such as Australian Government funding arrangements, market forces and demographic change, is also difficult to determine.

The Government still believes in the absolute importance of providing access to quality early learning sooner for all Tasmanian children. We also believe, however, and have always been clear that it is essential that a viable ECEC sector is maintained in Tasmania. The ECEC sector has an important role in enabling workforce participation by parents, as well as a role in providing quality early learning for many Tasmanian children, and employment for members of the Tasmanian community.

The Government has carefully considered that advice and decided that it is not appropriate to implement the voluntary earlier school starting age, due to the likely impacts on the early childhood education and care (ECEC) sector, and the current vulnerability of the sector to additional change.

However, it is imperative that the original intent of the earlier school starting age – to provide access to quality early learning – is not lost. This continues to be a vital part of our plan to address the long-standing social and economic challenges faced by Tasmania.

In recognition of the importance of early learning in improving individual outcomes, we will provide \$10.5 million for delivery of the *Working Together for 3 Year Olds – targeted pre-school initiative*, which will provide government subsidised participation in quality pre-school programs for eligible three year old children, to commence in 2020. Funding will be provided for those children to participate in early learning for 10 hours a week (400 hours a year), delivered by accredited services in the ECEC or school sector. The initiative will target those with the greatest need, with access being guided in the first instance by a set of criteria to include children who are 3 years old by 1 January of that year (i.e. the year before Kindergarten) and:

- whose parents/guardians are Health Care Card holders, or

- who are Aboriginal and/or Torres Strait Islander, or
- who are receiving support or intervention from the Child Safety Service.

Using Healthcare Card holders as a primary way to determine eligibility in the first instance will mean that not only people receiving Centrelink benefits will be able to access the initiative, but also people who are working and on a low income, and for whom ECEC service fees are a barrier to participation in early learning.

Modelling undertaken by the Department of Education indicates that approximately 2500 three year olds could be supported to access early learning through the *Working Together for 3 Year Olds* initiative, or approximately 40 per cent of all three year olds.

Through the design phase of the initiative we will also work with the ECEC sector and other key organisations, such as TasCOSS, to identify other barriers to participation in early learning and consider options to support engagement through the *Working Together for 3 Year Olds* initiative.

An evaluation will also be set up in the design phase to inform delivery of the initiative and early years' policies into the future.

The *Working Together for 3 Year Olds* initiative shares the same intent as the voluntary earlier school starting age – to provide access to quality early learning at an earlier age.

However, there are key differences between the two proposals, including:

- the age is different,
- access is different,
- the delivery setting is different, and
- our funding contribution is different.

If I start with age, Madam Speaker, we will be providing access to early learning to children at an even younger age – 3 years of age, instead of the 3.5 years of age proposed under the voluntary earlier school starting age.

As I have already stated, research demonstrates that engaging in quality early learning leads to improved outcomes, particularly for children who have engaged for two years before formal schooling.

And if we look at access, we will be providing access to the most vulnerable children, rather than universal access.

As I have already stated, research shows that the return on investment in improving outcomes is significantly greater in the early years than in the later years of schooling, higher education or training, particularly for disadvantaged children.

In terms of delivery, Madam Speaker, the majority of delivery of this initiative will be in early childhood education and care services rather than schools.

This will enable delivery of quality early learning using existing infrastructure that meets the requirements of the National Quality Standards.

It also builds upon and values the role the ECEC sector already plays in providing early learning for children below school age.

However, it is recognised that a number of non-government schools already deliver pre-school programs through their ECEC services aimed at three and four year olds, and these services will not be precluded from offering subsidised places for eligible three year old children.

In those areas where there is no existing ECEC service provision, but the need exists for delivery of the initiative for eligible children, government schools will work with an ECEC service to deliver it on the school site.

And where no ECEC services are able to provide the initiative on the school site, options will be considered for the school to provide the program where appropriate.

Many children participating in the initiative are likely to attract Commonwealth payments to help with the cost of attending the ECEC service in the form of Child Care Benefit and/or Child Care Rebate (which will be Child Care Subsidy and/or Additional Child Care Subsidy from July 2018 under Commonwealth reforms).

For these children, the Tasmanian Government will fund the gap.

Further work will be undertaken over the next 12-18 months in partnership with the ECEC and school sectors to co-design this initiative, including the approach to delivery, funding arrangements, and how services will become accredited. This will help ensure that it is appropriately targeted to provide an opportunity to access early learning for those children who are currently experiencing barriers to participation, and is delivered in a way that recognises the value each sector brings to providing child centred, quality early learning across Tasmania.

This will also ensure design of the initiative is guided by what will work on the ground, and promote buy-in by both sectors to the initiative. It is also consistent with the Government's focus on working together to improve the education, health and wellbeing outcomes of children from pregnancy to eight years, and the focus of the Department of Education in strengthening partnerships between the two sectors.

Madame Speaker, the Government is committed to the early years and understands their importance to improving outcomes across Tasmania, which is why we will also retain key commitments made to support implementation of the earlier school starting age in the school sector.

This includes the recurrent funding of \$4.9 million to support provision of teacher assistants in Prep classes.

Providing additional support in our Prep classes, in those areas where it is needed most, will support delivery of a developmentally appropriate learning framework in Prep, as required under the Act. It will also support prep teachers to modify their teaching practice where necessary in line with the developmentally appropriate learning framework.

We will also retain our commitment to assessing government Kindergartens against the National Quality Standard. This reflects a level of accountability for the government school system in delivering Kindergarten that is consistent with the requirements for the ECEC sector. It will go further than the previous government's commitment to mirroring, where practicable, the requirements for the *Education and Care Services National Law Act 2010* in Kindergartens, including application of the National Quality Standards and implementation of the Early Years Learning Framework for Australia. The Department is currently working to identify the infrastructure requirements to fulfil this commitment, and the additional regulatory requirements will be considered going forward.

The Bill currently before the House includes, therefore, amendments to the *Education Act 2016* to remove the option of the voluntary earlier school starting age and earlier access to kindergarten and retain the current starting age arrangements.

Madam Speaker, this Bill also provides for some minor refinements that have been identified during the detailed implementation planning that occurred in the lead-up to the commencement of the new Act on 10 July 2017.

These are mainly minor administrative 'tidy-ups' but there are some about which I will briefly comment.

The Parliament agreed last year to increase the minimum leaving requirements to completion of year 12, attainment of a certificate III or the age of 18, whichever occurs first.

Under the Act, young people must attend school or be in registered home education until the end of year 10 when they receive a 'statement of year 10 completion'. Their options then broaden to include pathways such as apprenticeships and traineeships as well school or home education.

There has been further stakeholder feedback that the term 'statement of year 10 completion' could create the impression that it signals the end of education. This is, of course, not the intention but the feedback has been recognised. It is, therefore, proposed that the term be amended to 'transition statement'.

The statement will still be issued at the end of year 10 in line with the original intention as, amongst other things, it marks the point at which parents have fulfilled their legal obligations for this phase of their child's education. And it is important to provide this clarity.

The second issue relates to organisations seeking to register as a non-government school to deliver kindergarten only. This provision is open to any organisation to use and is used by long day care providers who wish to deliver kindergarten as part of their service.

In recognition of the role of principal as the educational leader in a school and in line with the national Professional Standards for Principals, a new provision was introduced in the 2016 Act to require the principal of a school to be a fully registered teacher under the *Teacher Registration Act 2000*. The person in charge of a long day care centre would generally not meet this requirement.

This is an unintended consequence of the new provision and the relevant section will be clarified by linking the requirement for the principal to be fully registered to schools delivering compulsory education and training and exempting schools delivering only non-compulsory education (ie, Kindergarten).

A new section has also been included in relation to provisional approval of a proposed home education program. This will provide flexibility for the Registrar Education to provisionally approve a proposed home education program while the formal process is undertaken.

This is in line with previous administrative practice and allows for the program to be assessed 'in action'. Without such a provision a child could not commence home education until such time as a program was formally approved, which could take several months, and could not be observed so as to provide evidence to inform whether full approval should be granted.

On another matter, since the passage of the Bill an issue has come to light in relation to fees or charges payable by overseas students enrolled in State schools. Tuition fees are not payable in

respect to educational instruction of any student at a State school with the exception of overseas students.

It has recently come to the Government's attention that there are some categories of overseas student which fell outside the definition of overseas student under the *Education Act 1994*, and could not be charged fees under that Act. As the issue has only recently been identified, it has carried over to the new Education Act.

This is a long-standing issue as, since the early 1980s, successive governments have charged tuition fees for overseas students to study at State schools.

Overseas students make a positive cultural and economic contribution to Tasmania. In regard to their economic contribution as outlined in the Government's Population Growth Strategy, it is estimated that for every 10 international students there are 2.9 jobs created, with three-quarters of these jobs outside the education sector.

The definition of overseas student will be broadened to correct this issue and a validation provision has been included in regard to fees already paid. The opportunity has also been taken to include a provision enabling the recovery of unpaid tuition fees.

Madam Speaker, I would again like to thank the many, many people who have participated in the review of the Education Act over the last few years. The focus on education and its importance for our children and for Tasmania has been wonderful to see.

Madam Speaker, I commend the Bill to the House.