Preschool Reform Agreement

FEDERATION FUNDING AGREEMENT – EDUCATION AND SKILLS

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales Victoria Queensland Western Australia South Australia Tasmania Australian Capital Territory Northern Territory All parties apart from the Commonwealth are referred to as 'States' in this agreement.
Duration	This Agreement is expected to expire on 30 June 2026.
Purpose	**Consistent with the Alice Springs (Mparntwe) Education Declaration:** Our vision is for a world class education system that encourages and supports every student to be the very best they can be, no matter where they live or what kind of learning challenges they may face. This begins with making sure that every young child has the opportunity to benefit from structured play-based learning before they start school, because this helps build the social, emotional and cognitive skills they need to succeed in the years to come. **Objective:** The objective of the Preschool Reform Agreement (the Agreement) is to facilitate children's early learning and development and transition to school by: - maintaining universal access to affordable, quality preschool programs for all children - improving participation in preschool programs - maximising the benefit of the preschool year by improving outcomes for children. This Agreement will support the delivery of 15 hours a week, or 600 hours a year of quality *preschool programs*, by a degree qualified *early childhood teacher* for all children, regardless of the *setting* in which

programs are delivered, in the year before school. This Agreement has a focus on improving preschool participation and outcomes including for:

- Aboriginal and Torres Strait Islander children; and
- *disadvantaged children*.

Outputs:

Quality, affordable *preschool programs* which:
- meet the needs of children, parents, and communities,
- improve preschool outcomes for all children,
- are provided at a cost which does not present a barrier to participation, particularly for *disadvantaged children.*

Measuring and improving outcomes over time
This agreement will also support delivery of the objectives by:
- identifying key measures of preschool outcomes,
- identifying aspects of quality preschool likely to support improvement in those measures,
- seeking to achieve improvements in children's preschool outcomes over time,
- including improving data on participation and outcomes of children who face barriers other than cost.

Note: Italicised terms defined in Appendix A.

Estimated financial contributions	The Commonwealth will provide an estimated total financial contribution to the States of $1.84b in respect of this Agreement. This does not include payments made prior to 30 June 2022 under the National Partnership on Universal Access to Early Childhood Education.

Table 1a: Estimated total financial contribution by program year

Table 1a ($ million)	2022 Program Year	2023 Program Year[1]	2024 Program Year[1]	2025 Program Year[1]	Total[2]
Estimated total budget	453.2	457.9	460.6	466.6	1,838.2
Less estimated National Partnership Payments	444.6	426.5	436.9	452.0	1,760.1
New South Wales	140.7	135.0	137.5	143.1	556.3
Victoria	124.1	107.4	111.1	116.3	459.1
Queensland	83.4	89.3	91.5	93.9	358.2
Western Australia	45.4	46.7	47.1	48.3	187.5
South Australia	27.4	27.0	27.6	28.3	110.2
Tasmania	9.8	8.2	8.8	8.7	35.6
Australian Capital Territory	9.2	8.0	8.5	8.5	34.2
Northern Territory	4.5	4.8	4.9	5.0	19.1
Less additional funding to maintain 2021 level[3]	8.6	31.4	23.6	14.5	78.1
New South Wales	0.1	5.8	3.3	0.0	9.2
Victoria	4.4	21.1	17.4	12.2	55.1
Queensland	1.5	0.0	0.0	0.0	1.5
Western Australia	1.0	0.0	0.0	0.0	1.0
South Australia	0.9	1.2	0.7	0.0	2.8
Tasmania	0.0	1.6	1.1	1.1	3.8
Australian Capital Territory	0.4	1.7	1.2	1.2	4.4
Northern Territory	0.2	0.0	0.0	0.0	0.2
Implementation project funding[4]	TBC	N/A	N/A	N/A	TBC
Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0	0.0

Notes: Table 1a, 1b

[1]From the 2023 program year, the Commonwealth will advise States of updated population data and funding amounts for inclusion in Implementation Plans, based on latest Australian Bureau of Statistics (ABS) *year before fulltime school (YBFS)* data projections. Funding to maintain 2021 levels will be adjusted accordingly. Program year funding will be reconciled

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against Commonwealth funding that followed the child at the *setting* level, per the process outlined in Appendix A.

[2]Totals may not add up due to rounding.

[3]See Appendix A: 'Allocation and use of Commonwealth funding' for details.

[4]Project funding to support implementation of reforms may be available. The Commonwealth will negotiate implementation project funding on a bilateral basis, with details to be agreed by 31 January 2022 and included in bilateral implementation plans.

Table 1b: Estimated total financial contribution by financial year

Table 1b ($ million)	2021-22	2022-23[1]	2023-24[1]	2024-25[1]	2025-26[1]	Total[2]
Estimated total budget	136.0	454.6	458.7	462.4	326.6	1,838.2
Less estimated National Partnership Payments	133.4	439.2	429.6	441.5	316.4	1,760.1
New South Wales	42.2	139.0	135.8	139.2	100.2	556.3
Victoria	37.2	119.1	108.5	112.7	81.4	459.1
Queensland	25.0	85.2	90.0	92.2	65.7	358.2
Western Australia	13.6	45.8	46.8	47.4	33.8	187.5
South Australia	8.2	27.2	27.2	27.8	19.8	110.2
Tasmania	2.9	9.4	8.4	8.8	6.1	35.6
Australian Capital Territory	2.8	8.9	8.1	8.5	5.9	34.2
Northern Territory	1.3	4.6	4.8	4.9	3.5	19.1
Less additional funding to maintain 2021 levels[3]	2.6	15.4	29.1	20.9	10.2	78.1
New South Wales	0.0	1.8	5.1	2.3	0.0	9.2
Victoria	1.3	9.4	20.0	15.8	8.5	55.1
Queensland	0.5	1.1	0.0	0.0	0.0	1.5
Western Australia	0.3	0.7	0.0	0.0	0.0	1.0
South Australia	0.3	1.0	1.1	0.5	0.0	2.8
Tasmania	0.0	0.5	1.4	1.1	0.8	3.8
Australian Capital Territory	0.1	0.8	1.5	1.2	0.8	4.4
Northern Territory	0.1	0.1	0.0	0.0	0.0	0.2
Implementation project funding[4]	TBC	N/A	N/A	N/A	N/A	TBC
Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0	0.0	0.0

Additional terms	1. States agree to implement the Agreement in accordance with the Funding Principles outlined at Appendix A.
	2. As part of this Agreement, States and the Commonwealth agree to work collaboratively to implement the following reforms:
	• implement a *Commonwealth funding follows child* at the *setting* level approach from 2023; the approach will be outlined in Implementation Plans from 2022, and payment will be contingent on implementation from the 2023 program year.
	• implement new national preschool enrolment and attendance measures, with payment tied to the provision of *baseline data* in 2024 and bilateral targets from 2025 to be agreed in Implementation Plans.
	• implement a new national Preschool Outcomes Measure with payments tied to participation in development and planning in 2023, trial and validation in 2024 and commencement of implementation of the measure in 2025.
	3. As the measures above have not been developed at the commencement of the Agreement, appendices to this agreement will be developed as a mechanism to provide authorisation points for States. These appendices will be agreed by Education Ministers and once agreed, States agree to implement the Agreement henceforth in accordance with the appendices:
	• Appendix A.1 will outline details of the enrolment and attendance measure for agreement by Education Ministers in the first quarter of 2023.
	• Appendix A.2 will outline details of the Preschool Outcomes Measure trial for agreement by Education Ministers in the second quarter of 2023.
	• Appendix A.3 will outline details of the Preschool Outcomes Measure implementation for agreement by the end of 2024.

Performance requirements, reporting and payment summary 2022		
Milestone	**Due**	**Payment**
Implementation Plan agreed between the Commonwealth and the State for the period 1 January 2022 to 31 December 2022.	**By 31 January 2022**	**30% of estimated program year funding, plus Implementation Project funding (if applicable)**
The Implementation Plan will outline: • **Steps to ready the State to ensure Commonwealth funding follows child at the setting level can be implemented** in 2023. • **Strategies to facilitate preschool attendance** by children in the year before full-time school. For strategies relating to Aboriginal and Torres Strait Islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process. • **Work to ready the State to measure preschool attendance** in 2025 and provide baseline data to the Commonwealth in 2024. • Plans for how the State will work with the Commonwealth to **develop the preschool outcomes measure**. • State-specific data and implementation issues and **strategies for how these will be overcome** in the context of assessing performance under the Agreement.		
Performance Report • A progress update on actions agreed in the Implementation Plan. • Additional contextual remarks and supplementary data, if applicable.	**31 March 2023**	**70% of program year funding subject to performance assessment[1,2]:** • 20% of estimated program year funding paid in advance from 1 August 2022 • Balance of performance payment due paid before 30 June 2023
Performance Indicator	**Performance benchmarks**	**Payment** (proportion of 70% funding)
1: Proportion of children enrolled in quality preschool program(s) in the year before full-time school.	1(a) At least 95% 1(b) At least 90% 1(c) 2021 achievement improved >3% 1(d) 2021 achievement maintained	If target 1(a) is met, 11.7% or, If target 1(b) is met, 10.5% or, If target 1(c) is met, 8.3% or, If target 1(d) is met, 5.8%
2: Proportion of Aboriginal and Torres Strait Islander children enrolled in quality preschool program(s) in the year before full-time school.	2(a) At least 95% 2(b) At least 90% 2(c) 2021 achievement improved >3% 2(d) 2021 achievement maintained	If target 2(a) is met, 11.7% or, If target 2(b) is met, 10.5% or, If target 2(c) is met, 8.3% or, If target 2(d) is met, 5.8%
3: Proportion of disadvantaged children enrolled in quality preschool program(s) in the year before full-time school.	3(a) At least 95% 3(b) At least 90% 3(c) 2021 achievement improved >3% 3(d) 2021 achievement maintained	If target 3(a) is met, 11.7% or, If target 3(b) is met, 10.5% or, If target 3(c) is met, 8.3% or, If target 3(d) is met, 5.8%
4: Proportion of children enrolled in quality preschool program(s) for 600 hours per year, in the year before full-time school.	4(a) At least 95% 4(b) At least 90% 4(c) 2021 achievement improved >3% 4(d) 2021 achievement maintained	If target 4(a) is met, 11.7% or, If target 4(b) is met, 10.5% or, If target 4(c) is met, 8.3% or, If target 4(d) is met, 5.8% or,
5: Proportion of Aboriginal and Torres Strait Islander children enrolled in quality preschool program(s) for 600 hours per year, in the year before full-time school.	5(a) At least 95% 5(b) At least 90% 5(c) 2021 achievement improved >3% 5(d) 2021 achievement maintained	If target 5(a) is met, 11.7% or, If target 5(b) is met, 10.5% or, If target 5(c) is met, 8.3% or, If target 5(d) is met, 5.8%
6: Proportion of disadvantaged children enrolled in quality preschool program(s) for 600 hours per year, in the year before full-time school.	6(a) At least 95% 6(b) At least 90% 6(c) 2021 achievement improved >3% 6(d) 2021 achievement maintained	If target 6(a) is met, 11.7% or, If target 6(b) is met, 10.5% or, If target 6(c) is met, 8.3% or, If target 6(d) is met, 5.8%

Performance requirements, reporting and payment summary 2023		
Milestone	**Due**	**Payment**
Implementation Plan agreed between the Commonwealth and the State for the period 1 January 2023 to 31 December 2023	**By 31 January 2023**	**30% of estimated program year funding**
The Implementation Plan will outline: • **How Commonwealth funding follows child at the setting level will be implemented in the State**, noting that this will be required to be acquitted with reconciliation to occur before the final performance payment. The ABS will advise revised YBFS population data and the Commonwealth will make corresponding adjustments in program year funding for inclusion in the Implementation Plan. • **Strategies to facilitate participation** in preschool by children in the year before full-time school. For strategies relating to Aboriginal and Torres Strait islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process. • **Work to ready the State to measure preschool attendance** in 2025 and provide baseline data to the Commonwealth in 2024. • Plans for how the State will work with the Commonwealth to **develop the preschool outcomes measure**. • State-specific data and implementation issues and **strategies for how these will be overcome** in the context of assessing performance under the Agreement.		
Performance Report • A declaration of the number of children and total funding spent in each preschool setting and on programs to promote enrolment and attendance for children who are in the year before full-time school. • A progress update on actions agreed in the Implementation Plan. • Additional contextual remarks and supplementary data, if applicable.	**31 March 2024**	**70% of program year funding subject to performance assessment**[1,3]**:** • 20% of estimated program year funding paid in advance from 1 August 2023 • Balance due paid before 30 June 2024
Performance Indicator	**Performance benchmarks**	**Payment** (proportion of 70% funding)
1: Progress towards-proportion of children in the year before full-time school who are attending a preschool program(s) for 600 hours.	State participates in development of the enrolment and attendance measure, and undertakes implementation, as outlined in Appendix A.1 (once agreed) and Implementation Plan.	If yes, 20%
2.1 Progress towards: Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.		If yes, 10%
2.2 Progress towards: Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are attending a preschool program(s) for 600 hours.		If yes, 10%
3.1 Progress towards: Proportion of disadvantaged children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.		If yes, 10%
3.2 Progress towards: Proportion of disadvantaged children in the year before full-time school who are attending a preschool program(s) for 600 hours.		If yes, 10%
4: Progress towards - implementation of an outcomes measure	State participates in development of the outcomes measure as agreed in Implementation Plan.	If yes, 10%

Performance requirements, reporting and payment summary 2024		
Milestone	**Due**	**Payment**
Implementation Plan agreed between the Commonwealth and the State for the period 1 January 2024 to 31 December 2024	**By 31 January 2024**	**30% of estimated program year funding**
The Implementation Plan will outline: • **Details of Commonwealth funding follows child at the setting level arrangements**, noting that this will be required to be acquitted with reconciliation to occur before the final performance payment. The ABS will advise revised YBFS population data and the Commonwealth will make corresponding adjustments in program year funding for inclusion in the Implementation Plan. • The **approach to measure preschool enrolment and attendance** and how data will be provided to the Commonwealth, in accordance with Appendix A.1. • **Strategies to facilitate participation** in preschool by children in the year before full-time school. For strategies relating to Aboriginal and Torres Strait Islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process. • The **approach to measure preschool enrolment and attendance** and how data will be provided to the Commonwealth, in accordance with Appendix A.1. • Plans for how the State will **trial and validate the preschool outcomes measure**, in accordance with Appendix A.2. • State-specific data and implementation issues and **strategies for how these will be overcome** in the context of assessing performance under the Agreement.		
Performance Report • A declaration of the number of children and total funding spent in each preschool setting and on programs to promote enrolment and attendance for children who are in the year before full-time school. • A progress update on actions agreed in the Implementation Plan. • Additional contextual remarks and supplementary data, if applicable.	**31 March 2025**	**70% of program year funding subject to performance assessment**[1,2,3,4]: • 20% of estimated program year funding paid in advance from 1 August 2024 • Balance due paid before 30 June 2025
Performance Indicator	**Performance benchmarks**	**Payment** (proportion of 70% funding)
1: Proportion of children in the year before full-time school who are attending a preschool program(s) for 600 -hours.	Baseline data provided as defined in Implementation Plan.	If yes, 20%
2.1 Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.		If yes, 10%
2.2: Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are attending a preschool program(s) for 600 hours.		If yes, 10%
3.1 Proportion of disadvantaged children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.		If yes, 10%
3.2: Proportion of disadvantaged children in the year before full-time school who are attending a preschool program(s) for 600 hours.		If yes, 10%
4: Progress towards – implementation of an outcomes measure	State participates in trial of the outcomes measure as agreed in Implementation Plan and Appendix A.2.	If yes 10%

Performance requirements, reporting and payment summary 2025		
Milestone	**Due**	**Payment**
Implementation Plan agreed between the Commonwealth and the State for the period 1 January 2025 to 31 December 2025	**By 31 January 2025**	**30% of estimated program year funding**

The Implementation Plan will outline:

- **Details of Commonwealth funding follows child at the setting level arrangements**, noting that this will be required to be acquitted with reconciliation to occur before the final performance payment. The ABS will advise revised YBFS population data and the Commonwealth will make corresponding adjustments in program year funding for inclusion in the Implementation Plan.
- **Bilaterally agreed attendance targets** for 2025, including for Aboriginal and Torres Strait Islander children and disadvantaged children.
- **Bilaterally agreed enrolment targets** for 2025 for Aboriginal and Torres Strait Islander children and disadvantaged children.
- **Strategies to facilitate attendance** at preschool by children in the year before full-time school. For strategies relating to Aboriginal and Torres Strait islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process.
- The **approach to measure preschool attendance** and how data will be provided to the Commonwealth (updated if required), in accordance with Appendix A.1.
- How the State will **implement and refine the preschool outcomes measure**, in accordance with Appendix A.3.
- State-specific data and implementation issues and **strategies for how these will be overcome** in the context of assessing performance under the Agreement.

Performance Report • A declaration of the number of children and total funding spent in each preschool setting and on programs to promote enrolment and attendance for children who are in the year before full-time school. • A progress update on actions agreed in the Implementation Plan • Additional contextual remarks and supplementary data, if required.	**31 March 2026**	**70% of program year funding subject to performance assessment**[1,2,3,4]**:** • 20% of estimated program year funding paid in advance from 1 August 2025 • Balance due paid before 30 June 2026
Performance Indicator	**Performance benchmarks**	**Payment** (proportion of 70% funding)
1: Proportion of children in the year before full-time school who are attending a preschool program(s) for 600 hours.	Refer Target 1 in Implementation Plan	If Target 1(a) is met, 20% or, If Target 1(b) is met, 18% or, If Target 1(c) is met, 16%
2.1 Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.	Refer Target 2.1 in Implementation Plan	If Target 2.1(a) is met, 10% or, If Target 2.1 (b) is met, 9% or, If Target 2.1 (c) is met, 8%.
2.2: Proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are attending a preschool program(s) for 600 hours.	Refer Target 2.2 in Implementation Plan	If Target 2.2(a) is met, 10% or, If Target 2.2(b) is met, 9% or, If Target 2.2(c) is met, 8%
3.1 Proportion of disadvantaged children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours.	Refer Target 3.1 in Implementation Plan	If Target 3.1(a) is met, 10% or, If Target 3.1 (b) is met, 9% or, If Target 3.1 (c) is met, 8%.
3.2: Proportion of disadvantaged children in the year before full-time school who are attending a preschool program(s) for 600 hours.	Refer Target 3.2 in Implementation Plan	If Target 3.2(a) is met, 10% or, If Target 3.2(b) is met, 9% or, If Target 3.2(c) is met, 8%.
4: Commence implementation of an outcomes measure.	State commences implementation of outcomes measure as agreed in Implementation Plan and Appendix A.3.	If yes 10%

Notes: Performance requirements, reporting and payment summary

[1] Performance payments will not be made prior to agreement of an Implementation Plan.

[2] Performance will be assessed as having been maintained where performance has not fallen by more than three percentage points below the previous year's baseline. The impact of unanticipated events may also be considered when assessing performance (details in Appendix A).

[3] The final program year funding will be reconciled against latest YBFS population data and fulfillment of the Commonwealth funding follows child requirement prior to assessment of performance. The balance of funding is calculated by using final program year funding (after reconciliation), assessing performance, less the payments made for implementation plans and the payment made in advance of performance assessment.

[4] Targets will be negotiated bilaterally in good faith once national baseline data is available:

- Target (a) will be for 'Improvement', where a reasonable percentage increase will be negotiated that takes account of the fact that attendance initiatives take time to be effective. Target (a) will be agreed bilaterally.
- Target (b) will be for 'Maintenance' of baseline performance, noting the target will be considered met if performance has not fallen by more than 3 percentage points from the baseline.
- Target (c) will be paid on the basis of maintained effort and activity, regardless of achievement against targets.

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

Signed for and on behalf of the Commonwealth of Australia by

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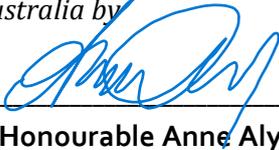
The Honourable Anne Aly MP
Minister for Early Childhood Education and Youth

2 / 11 / 2022

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

_____

The Honourable Sarah Mitchell MLC
Minister for Education and Early Childhood Learning

_____ / _____ / _____

Signed for and on behalf of the State of Victoria by

_____

The Honourable Ingrid Stitt MP
Minister for Early Childhood and Pre-Prep

31 / 10 / 2022

Signed for and on behalf of the State of Queensland by

_____

The Honourable Grace Grace MP
Minister for Education

_____ / _____ / _____

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

_____

The Honourable Suzanne Ellery MLC
Minister for Education and Training

_____ / _____ / _____

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

_____

The Honourable Blair Boyer MP
Minister for Education, Training and Skills

_____ / _____ / _____

Signed for and on behalf of the State of Tasmania by

_____

The Honourable Roger Jaensch MP
Minister for Education, Children and Youth

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Signed for and on behalf of the Australian Capital Territory by

_____

The Honourable Yvette Berry MLA
Minister for Education and Early Childhood Development

_____ / _____ / _____

Signed for and on behalf of the Northern Territory by

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The Honourable Eva Lawler MLA
Minister for Education

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

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

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The Honourable Anne Aly MP
Minister for Early Childhood Education and Youth

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

_____

The Honourable Sarah Mitchell MLC
Minister for Education and Early Childhood Learning

_____ / _____ / _____

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

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The Honourable Ingrid Stitt MP
Minister for Early Childhood and Pre-Prep

_____ / _____ / _____

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

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The Honourable Grace Grace MP
Minister for Education

_____ / _____ / _____

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

_____

The Honourable Suzanne Ellery MLC
Minister for Education and Training

7 / 11 / 2022

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

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The Honourable Blair Boyer MP
Minister for Education, Training and Skills

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

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The Honourable Roger Jaensch MP
Minister for Education, Children and Youth

_____ / _____ / _____

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

_____

The Honourable Yvette Berry MLA
Minister for Education and Early Childhood Development

_____ / _____ / _____

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

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The Honourable Eva Lawler MLA
Minister for Education

_____ / _____ / _____

11

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

Signed for and on behalf of the Commonwealth of Australia by

_____

The Honourable Anne Aly MP
Minister for Early Childhood Education and Youth

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

_____

The Honourable Sarah Mitchell MLC
Minister for Education and Early Childhood Learning

_____ / _____ / _____

Signed for and on behalf of the State of Queensland by

The Honourable Grace Grace MP
Minister for Education

_____ / _____ / _____

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

The Honourable Blair Boyer MP
Minister for Education, Training and Skills

_____ / _____ / _____

Signed for and on behalf of the Australian Capital Territory by

The Honourable Yvette Berry MLA
Minister for Education and Early Childhood Development

_____ / _____ / _____

Signed for and on behalf of the State of Victoria by

_____

The Honourable Ingrid Stitt MP
Minister for Early Childhood and Pre-Prep

_____ / _____ / _____

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

The Honourable Suzanne Ellery MLC
Minister for Education and Training

_____ / _____ / _____

Signed for and on behalf of the State of Tasmania by

The Honourable Roger Jaensch MP
Minister for Education, Children and Youth

_____ / _____ / _____

Signed for and on behalf of the Northern Territory by

The Honourable Eva Lawler MLA
Minister for Education

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11

APPENDIX A: FUNDING PRINCIPLES FOR THE PRESCHOOL REFORM AGREEMENT

Target cohort

1.   This Agreement supports children in the year before full-time school.

Allocation and use of Commonwealth funding

2.   A per-child funding allocation will be provided according to the state-specific YBFS population. Annual Implementation Plans will include revised YBFS population data

3.   The per-child funding amount is:
2022 - $1,345.54
2023 - $1,377.83
2024 - $1,410.90
2025 - $1,444.76

4.   The Commonwealth commits that for life of this Preschool Reform Agreement, and as the YBFS measure is transitioned in, all States' funding allocations will be at or above their 2021 funding allocation under the 2018-2021 National Partnership on Universal Access to Early Childhood Education (UANP). Where States annual funding allocation at in Table 1A is lower than their funding in 2021, the Commonwealth will pay up to the 2021 funding amount (without indexation applied). All funding provided to States will be subject to annual performance requirements.

Table 1c: 2021 maximum funding allocations under the UANP ($ millions)

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2021 UANP funding	$140.8	$128.5	$85.0	$46.5	$28.2	$9.8	$9.7	$4.7

Commonwealth funding follows child

5.   The Commonwealth provides a per-child contribution to support delivery of preschool.

6.   The Commonwealth contribution must be passed on to benefit children in the setting in which they attend via reduced out-of-pocket fees for families, and/or to improve quality such as through the provision of early childhood teachers. States will have a robust mechanism in place to provide assurance on how this funding is used.

7.   Any Commonwealth funding that cannot be attributed to an individual child enrolled in a quality preschool program must be spent on initiatives that promote enrolment and attendance in preschool.

   a.   This includes if a child is enrolled in an early childhood education and care service that does not meet the definition of a preschool program or a service opts out of receiving funding under the Agreement.

8.   Additional funding to maintain 2021 levels must be used to support the provision of preschool programs or implementation of the preschool reform agenda. States will have mechanisms in place to provide assurance on how this funding is used.

9.   The details of how States implement and acquit Commonwealth funding follows child requirements, including implementation of attendance strategies, will be agreed in Implementation Plans.

End of year reconciliation

10.   From 2023, States are to ensure Commonwealth funding is allocated accurately to settings in which children attend preschool. States to be paid on the extent to which Commonwealth funding follows the child. To achieve this the States will:

   a.   identify the numbers of children attending in each setting in the YBFS
   b.   rapidly deploy funding to benefit those children in each setting
   c.   make the arrangements transparent to families
   d.   acquit these numbers and expenditure

11.   From 2023, allocated program year funding will be reconciled against Commonwealth funding that followed child at the setting level. Funding that has not been demonstrated to follow child will be deducted from program year funding prior to calculating the final payment for the program year (see 7). Additional funding to maintain 2021 levels, if applicable, must be shown to be expended consistent with the objectives of the agreement (see 8).

A new national preschool attendance measure

12.   The Commonwealth and States agree to develop a new national preschool attendance measure underpinned by agreed data collection approaches, reflecting the shared commitment to improve preschool attendance.

13.   The Commonwealth and States recognise the value of all children participating in a quality preschool program for 15 hours a week, or 600 hours a year, in the year before school as the foundation of their educational and lifelong outcomes. While acknowledging preschool is not compulsory, the Commonwealth and States will seek to achieve the highest possible number of children attending a quality preschool program for 15 hours a week, or 600 hours a year, in the year before school. This agreement also seeks to maintain an emphasis on enrolment and attendance of Aboriginal and Torres Strait Islander and disadvantaged children.

14.   The design of the enrolment and attendance measures (including data definitions, the way in which performance will be measured against the measure, and implementation approach) will be agreed between the Commonwealth and State Education Ministers and included at Appendix A.1 to this agreement prior to baselining of the measure in 2024.

15.   Bilateral enrolment and attendance targets, when they become applicable from 2025, will be negotiated in good faith (taking into account differing State circumstances, the non-compulsory nature of preschool, and any other factors that influence preschool attendance) for inclusion in each States' Implementation Plan.

16.   The Commonwealth and States will, where possible, share available information to support implementation of reforms and monitor States' progress against the performance indicators.

A new national preschool outcomes measure

17.   The Commonwealth and States will aim to develop a nationally consistent approach to the new preschool outcomes measure, developed, trialled, and implemented collaboratively.

18.   The development and implementation of the measure will be supported by advice from established experts, the Commonwealth and States.

19.   The proposed design of the outcomes measure to be trialled and validated, with the approach to trial and evaluation to be agreed between the Commonwealth and State Education Ministers and included at Appendix A.2 to this agreement prior to trialling the measure in 2024.

20.   Subject to a successful trial including an evaluation, Education Ministers will be asked to consider options for progressing to national implementation of the outcomes measure. The

Commonwealth and State Education Ministers will agree to implementation of the outcomes measure and included at Appendix A.3 to this agreement. A national consensus is not required for the commencement of implementation of the measure to proceed bilaterally in 2025.

Unanticipated events

21. Should events that States cannot reasonably be expected to mitigate (e.g. COVID-19 stay-at-home orders) impact States' ability to meet the requirements of the performance framework, the Commonwealth will initiate a joint process with State Education Ministers to consider what performance requirements should be applied.

Performance Indicator Specifications

22. Performance indicator specifications are at Appendix B of the Agreement, and will be updated as required.

Definitions

Baseline data – Data provided using secure transmission in accordance with details to be agreed in Appendix A.1 and A.2. Data should be linkable and include details to enable best-practice statistical linkage keys - noting data anonymity will be maintained.

Commonwealth funding follows child – A funding requirement whereby the Commonwealth per-child funding contribution must be used to benefit the child it was nominally allocated for at the setting level.

Disadvantaged children – As defined by the Socio-Economic Index for Areas (SEIFA) measure of relative disadvantage, with potential for a more granular measure of socio-economic disadvantage to be adopted as data improvements are implemented, if agreed by parties to the Agreement. States may use different measures for their performance reporting as agreed bilaterally with the Commonwealth in Implementation Plans.

Early childhood teacher – A teacher that, at minimum, meets National Quality Framework (NQF) qualification requirements.

Preschool program (agreed definition) – An educational program in accordance with the Early Years Learning Framework (or equivalent) and the NQF delivered by an early childhood teacher.

Preschool program (alternatives to agreed definition) – States may impose a more stringent definition of a preschool program, including adherence to quality and audit requirements. There may also be limited circumstances where a service may be taken to be delivering a preschool program despite not meeting the agreed definition. Any modifications to the agreed definition should be outlined in the State's Implementation Plan and will be subject to agreement by the Commonwealth. Only preschool programs that meet the definition as agreed in each State will be counted towards performance targets.

Setting – A term intended to broadly differentiate service types including, school based, centre-based day care and stand-alone dedicated preschools. Setting may also be referred to as 'sector' by some jurisdictions.

School-based services – Includes government and non-government schools. For government schools, this is intended to capture all preschool programs delivered by States irrespective of whether or not it is delivered on a school site.

Year before full-time school (YBFS) – The new, fit for purpose, measure developed by the ABS which uses administrative school enrolment data as a base to determine the YBFS cohort. From the 2023 program year, details of the methodology will be available in Appendix B.

The Commonwealth, through the ABS, commits to continued work in good faith with the States on the new YBFS methodology, including how children who enrol in a year before full time school preschool program two years in a row will be treated.

Appendix A.1 – Enrolment and Attendance Measures

The purpose of this appendix will be to agree the details of the new enrolment and attendance measures. This will include, but not be limited to, consideration of:

- Definition of 'attendance', including a reasonable proportion of 600 hours, and considering reasons for non-attendance and attendance levels in comparable settings

- Definition of 'disadvantaged'

- A set of high-level principles that will guide the setting of bilateral enrolment and attendance targets, including but not limited to:

  - Negotiated in good faith

  - Targets will be set at achievable rates, cognisant of baseline data and States' circumstances

  - Will take into account contemporary data collection methods and good practice

- High level methodology to measure enrolment and attendance with detailed data definitions and calculation to be included in Appendix B – Performance Indicator Specifications.

- How data will be provided (method, frequency)

- Data storage and usage arrangements

Appendix A.1 will be presented to Education Ministers for their signature, reflecting a decision-point and agreement, by Education Ministers in the first quarter of 2023.

[Signature page to be inserted]

Appendix A.2 – Preschool Outcomes Measure Trial

The purpose of this appendix will be to agree the details of the new Preschool Outcomes Measure to proceed to trial in 2024. This will include, but not be limited to, consideration of:

- Design of the outcomes measure, including feasibility
- A set of high-level principles will be agreed to guide the trial, including but not limited to:
    - Implemented in good faith
    - Cognisant of States' circumstances
- Design of the trial including where and when the measure will be trialed
- Design of the evaluation including how success will be measured
- How data will be provided

Appendix A.2 will be presented to Education Ministers for their signature, reflecting a decision-point and agreement, by Education Ministers in the second quarter of 2023.

[Signature page to be inserted]

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Appendix A.3 – Preschool Outcomes Measure(s) Implementation

The purpose of this appendix will be to agree the details of the new Preschool Outcomes Measure to be implemented in 2025, informed by the trial. This will include, but not be limited to, consideration of:

- Design of the outcomes measure

- A set of high-level principles will be agreed that will guide the implementation of the outcomes measure, including but not limited to:
    - Implemented in good faith
    - Cognisant of States' circumstances
    - Will take into account contemporary data collection methods and good practice

- High level methodology (what will be measured and how) with detailed data definitions to be included in Appendix B – Performance Indicator Specifications.

- Implementation approach

- How data will be provided (method, frequency, storage and usage arrangements)

Appendix A.3 will be presented to Education Ministers for their signature, reflecting a decision-point and agreement, by the end of 2024.

[Signature page to be inserted]

Appendix B - Performance Indicator Specifications

Preschool Reform Agreement – 2022

Appendix B - Performance Indicator Specifications will be updated annually over the course of the Preschool Reform Agreement. This version of the Specifications only applies to performance indicators for the 2022 program year.

Contents

Acknowledgments

These Performance Indicator Specifications for the Preschool Reform Agreement – 2022 have been developed by the Australian Institute of Health and Welfare (AIHW) in conjunction with the Australian Bureau of Statistics (ABS) and Australian Government Department of Education, Skills and Employment.

Abbreviations

ABS	Australian Bureau of Statistics
AIHW	Australian Institute of Health and Welfare
ASGS	Australian Statistical Geography Standard
CCSS	Child Care Subsidy System
COAG	Council of Australian Governments
ECEC	Early Childhood Education and Care
ERP	Estimated resident population
IRSD	Index of Relative Socio-economic Disadvantage
METeOR	AIHW's Metadata Online Registry
NECECC	National Early Childhood Education and Care Collection
NMDS	National Minimum Data Set
NP UAECE	National Partnership Agreement on Universal Access to Early Childhood Education
PI	Performance indicator
PRA	Preschool Reform Agreement
SA	Statistical Area
SEIFA	Socio-Economic Indexes for Areas
SLK	Statistical linkage key
URL	Unit record level
YBFS	Year before full-time school

Introduction

The objective of the Preschool Reform Agreement (the Agreement-2022) is to facilitate children's early learning and development and transition to school by:

- maintaining universal access to affordable, quality preschool programs for all children

- improving participation in preschool programs

- maximising the benefit of the preschool year by improving outcomes for children.

For the 2022 program year the performance framework from the former National Partnership on Universal Access to Early Childhood Education (UANP) will apply. These include:

- **Teacher qualifications**
  The proportion of early childhood education programs delivered by a qualified early childhood teacher

- **Access to quality program (performance indicator 1-3 in the Agreement)**
  The proportion of children enrolled in the year before full-time school in quality early childhood education program(s)

- **Access to a quality 600 hour program (performance indicator 4-6 in the Agreement)**
  The proportion of enrolled children, enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year

- **Attendance**
  The proportion of enrolled children who attend, in the year before full-time school, quality early childhood education program(s) for 600 hours per year.

This document details the specifications for nationally comparable measurement of the PIs. These specifications aim to guide the calculation of the PIs at the national level in order to measure national progress against performance benchmarks, and to allow comparisons to be made at the state and territory level.

The annual National Early Childhood Education and Care Collection (NECECC) is the primary data source for the monitoring of progress and the measurement of achievement against benchmarks under the Agreement. Jurisdictions may provide contextual information to aid interpretation should they wish to do so.

The national PI Specifications have been developed by the Australian Institute of Health and Welfare (AIHW) in conjunction with the Australian Bureau of Statistics (ABS) and the Australian Government Department of Education, Skills and Employment.

National Early Childhood Education and Care Collection (NECECC)

The NECECC aims to provide nationally comparable information on early childhood education and care. It has assisted in progress reporting for the UANP — 2018–2021, and the previous, NP UAECE — 2016-17 and 2015, NP UAECE and National Partnership Agreement on Early Childhood Education.

Data from the NECECC have been published annually by the ABS and are available on their website: https://www.abs.gov.au/statistics/people/education/preschool-education-australia/latest-release for the latest release and previous releases.

Supporting information is available in the following publications:

- *National Early Childhood Education and Care Collection: Concepts, Sources and Methods*
  https://www.abs.gov.au/ausstats/abs@.nsf/mf/4240.0.55.001

- Preschool Education, Australia methodology
  https://www.abs.gov.au/methodologies/preschool-education-australia-methodology/2020

Early Childhood Education and Care National Minimum Data Set

The NECECC is underpinned by data standards specified in the Early Childhood Education and Care National Minimum Data Set (ECEC NMDS), which is maintained by the AIHW in the online metadata registry, METeOR, for the latest standards https://meteor.aihw.gov.au/content/index.phtml/itemId/745996

The PI Specifications are based on data elements in the UANP —2018–2021. The relevant ECEC NMDS data element names and corresponding METeOR identifiers are included in the PI Specifications. Further information on these can be found on METeOR using the unique identifier.

Definitions

The NP UAECE—2015 defined a number of terms that are used within the Agreement, and these are unchanged in the the Agreement–2022. These definitions have been operationalised, where required, for implementation in the ECEC NMDS 2021 and the NECECC. Although these definitions may therefore be expressed differently in the ECEC NMDS, their interpretation is consistent with the the Agreement–2022.

The definitions of the terms below underlie the PI Specifications and should be read in conjunction to assist interpretation.

Early childhood education program

The definition of an early childhood education program used in the PI Specifications is available in the glossary of the ECEC NMDS 2021 in METeOR.

It is possible for multiple programs to be offered within the same service provider; however, the lowest reporting level common to all states and territories within the NECECC is the service provider level. Information is therefore collected at the service provider level for reporting in the NECECC, as specified in the ECEC NMDS, and the service provider is used in the PI Specifications as a proxy for programs.

A definition of a *quality* early childhood education program is also included within the definition of an early childhood education program.

Quality early childhood education program

The definition of a *quality early childhood program* in the Agrement–2022 and the ECEC NMDS 2021– includes three components that relate specifically to quality:

- delivery in accordance with the Early Years Learning Framework,
- delivery in accordance with the National Quality Standard, and
- delivery by a qualified early childhood teacher.

Qualified early childhood teacher

The definition of a qualified early childhood teacher used in the PI Specifications is available in the glossary of the ECEC NMDS 2021 in METeOR.

Year before full-time schooling (YBFS)

In the national PI Specifications, the year before full-time schooling (YBFS) population is defined as all children aged 4 and 5 years old, including 5 year olds who are reported as repeaters. For further information about this definition and how it differs to YBFS as used in the ABS *Preschool Education, Australia* publication, refer to the 2020 issue of *Preschool Education, Australia*— Explanatory Notes https://www.abs.gov.au/methodologies/preschool-education-australia-methodology/2020#appendix-4-state-specific-year-before-full-time-schooling.

Proportion of early childhood education programs delivered by a qualified early childhood teacher (non-payment performance indictaor)

All programs

Indicator details	
Description	The proportion of early childhood education programs delivered by at least one qualified early childhood teacher to children in the year before full-time schooling.
Numerator	The number of early childhood education programs delivered to children aged 4 and 5 years as at 1 July of the collection year that are delivered by at least one qualified early childhood teacher who meets the requirements of the National Quality Framework.
Numerator data elements	Service provider organisation URL data elements: • Early childhood education program delivered by a qualified teacher indicator (METeOR Id 602338) Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007)
Denominator	The total number of early childhood education programs delivered to children aged 4 or 5 years as at 1 July of the collection year.
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 1: Proportion of early childhood education programs delivered by a qualified early childhood teacher
Presentation	Proportion
Calculation rules	This performance indicator requires service provider level data. For the purposes of Agrement measurement, a service provider is deemed equivalent to an early childhood education program. Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. Numerator: The numerator is obtained by summing all early childhood education programs with children aged 4 or 5 years who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator'—representing enrolment in the year before full-time schooling—and a 'Yes' response against the service provider level data element 'Early childhood education program delivered by a qualified teacher indicator'. Denominator: The denominator is obtained by summing all early childhood education programs with enrolled children aged 4 and 5 years as at 1 July of the collection year.
Data source(s)	Numerator: NECECC Denominator: NECECC
Frequency of data source collection	Numerator: Annual Denominator: Annual

PROPORTION OF EARLY CHILDHOOD EDUCATION PROGRAMS DELIVERED BY A QUALIFIED EARLY CHILDHOOD TEACHER

Related Data Element	Computation

PROVIDER RECORD(a)

Related Data Element:

Early childhood education program enrolment indicator (602301)

Date of birth (287007)

Early childhood education program delivered by a qualified teacher indicator (602338)

Computation:

Is there at least one child (aged between 4-5 years) enrolled in an early childhood education program within the service provider? → No → Exclude

↓ Yes

Enrolment in YBFS

Has the early childhood education program been delivered by at least one qualified teacher? → No → Exclude

↓ Yes

Disaggregation by state/territory(b) → Calculate total service providers(a) →

Numerator

The number of early childhood education programs delivered to children aged 4 and 5 years as at 1 July of the collection year that are delivered by at least one qualified early childhood teacher who meets the requirements of the National Quality Framework.

÷ X 100 = proportion

The total number of early childhood education programs delivered to children aged 4 or 5 years as at 1 July of the collection year.

Denominator

(a) Service provider counts are the number of unique service providers across files.
(b) The location where the early childhood education program was delivered.

Note: Refer to Appendix B for details on the inclusion and exclusion of response categories in the computation.

Proportion of children enrolled in the year before full-time school in quality early childhood education program(s) (Performance Indicator 1-3)

PI 1 All children

Indicator details	
Description	The proportion of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in quality early childhood education program(s).
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in at least one quality early childhood education program.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007)
Denominator	Estimated number of children aged 4 years, as at 30 June of the collection year.
Denominator data elements	Child/Person URL data elements: • Estimated Resident Population (ERP) of children aged 4, by state/territory, (METeOR Id 388656)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 2: Proportion of children enrolled in the year before full-time school in quality early childhood education programs
Presentation	Proportion
Calculation rules	Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. If children are enrolled in multiple services, they should be counted in the numerator/denominator if they meet the criteria in at least one service. Numerator: The numerator is obtained by summing all children aged 4 or 5 years who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling). Denominator: To be based on the June release of the collection year of the ABS Census-based ERP for 4 year olds.
Identifiers	Person ID (SLK 581): The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK. Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC

	Denominator: ABS Estimated Resident Population, available from National, state and territory population published on https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release
Frequency of data source collection	Numerator: Annual Denominator: Annual

PI 2 Aboriginal and Torres Strait Islander children

Indigenous status	
Description	The proportion of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in quality early childhood education programs.
Numerator	The number of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in quality early childhood education programs.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Indigenous status (METeOR Id 602543)
Denominator	Estimated number of Aboriginal and Torres Strait Islander children aged 4 years.
Denominator data elements	Child/Person URL data elements: • Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2006 to 2031
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 2: Proportion of children enrolled in the year before full-time school in quality early childhood education programs
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. If children are enrolled in multiple services, they should be counted in the numerator/denominator if they meet the criteria in at least one service. Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. Numerator: The numerator is obtained by summing all children aged 4 and 5 years who are reported as Aboriginal and/or Torres Strait Islander and have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling). Denominator: To be based on the population projections for Aboriginal and Torres Strait Islander 4 year olds from the latest published data.
Identifiers	Person ID (SLK 581): The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK. Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC

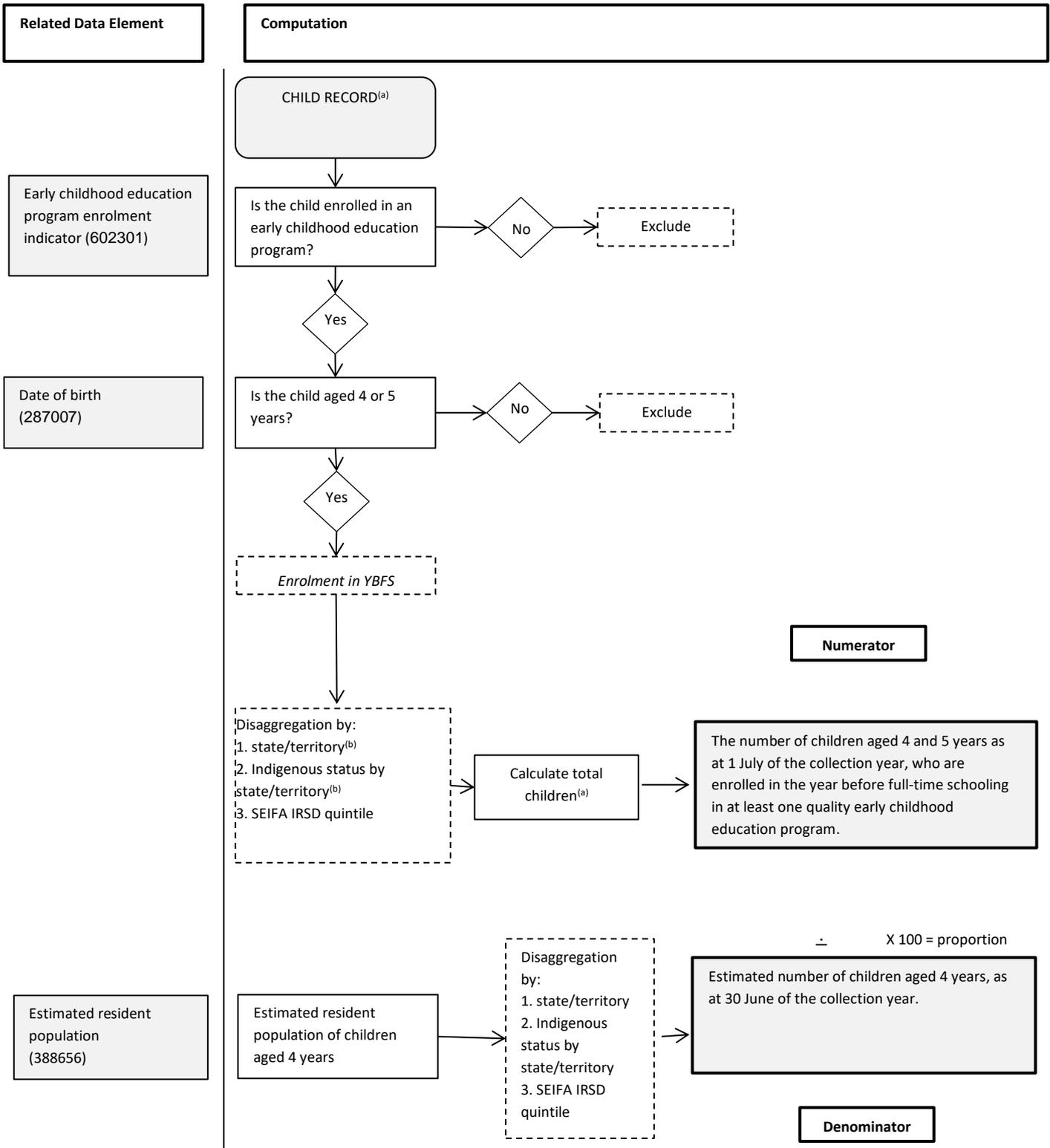|	Denominator: Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2006 to 2031 https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-and-projections-aboriginal-and-torres-strait-islander-australians/2006-2031
Frequency of data source collection	Numerator: Annual Denominator: Annual intercensal estimates; Aboriginal and Torres Strait Islander population projections

PI 3 **Disadvantaged children**[1]

Children experiencing disadvantage	
Description	The proportion of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are enrolled in the year before full-time schooling in quality early childhood education programs.
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are enrolled in the year before full-time schooling in quality early childhood education programs.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • SEIFA (2016 Census, ASGS 2016) cluster (METeOR Id 695778) • Address—Statistical Area level 1 (SA1) code (ASGS 2016) (METeOR Id 660637)
Denominator	Estimated number of children aged 4 years who reside in disadvantaged areas, as at 30 June of the collection year.
Denominator data elements	Child/Person URL data elements: • Estimated Resident Population (ERP) of children aged 4 by SEIFA IRSD, by state/territory (METeOR Id 388656)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 2: Proportion of children enrolled in the year before full-time school in quality early childhood education programs
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. If children are enrolled in multiple services, they should be counted in the numerator/denominator if they meet the criteria in at least one service. Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. Numerator: The numerator is obtained by summing all children aged 4 or 5 years who reside in areas with a SEIFA IRSD quintile of 1 (based on Statistical Area 1, SA1[2]) and who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling). Denominator: To be based on the 2016 Census-based ERP by SEIFA IRSD for 4 year olds from 2017 onwards.

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[1] There is currently no nationally agreed definition of 'disadvantaged children' under the Agreement–2022. The performance indicators use SEIFA IRSD, which is a nationally consistent measure of disadvantage available from the NECECC. States and territories may use different measures in their individual Implementation Plans as agreed bilaterally with the Commonwealth.

[2] Subject to availability, SEIFA quintiles may be based on state/territory rankings rather than rankings for Australia. This reflects that advantage is a relative rather than absolute characteristic.

Notes and Exceptions	Disadvantage is measured using the ABS Index of Relative Socio-economic Disadvantage (IRSD) derived from the 2016 ABS Census of Population and Housing. IRSD is a general socio-economic index that summarises a range of information about the economic and social resources of people and households within an area. Census variables that comprise this index include low income, no qualifications, low educational attainment, unemployment, overcrowded housing, disability, dwellings without motor vehicles, and Indigenous status. See the ABS website for more information (Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016, ABS cat. no. 2033.0.55.001 https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD~19). The use of SEIFA IRSD to measure disadvantage for this performance indicator may be reviewed pending national agreement on a definition of children experiencing disadvantage.
Identifiers	Person ID (SLK 581):
	The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK.
	Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements:
	• Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC
	Denominator: ABS Estimated Resident Population, available from National, state and territory population published on https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release
Frequency of data source collection	Numerator: Annual
	Denominator: Annual

PI 1-3 PROPORTION OF CHILDREN ENROLLED IN THE YEAR BEFORE FULL-TIME SCHOOL IN QUALITY EARLY CHILDHOOD EDUCATION PROGRAM(S)

Related Data Element	Computation

CHILD RECORD[a]

Early childhood education program enrolment indicator (602301)

Is the child enrolled in an early childhood education program? → **No** → Exclude

↓ **Yes**

Date of birth (287007)

Is the child aged 4 or 5 years? → **No** → Exclude

↓ **Yes**

Enrolment in YBFS

Numerator

Disaggregation by:
1. state/territory[b]
2. Indigenous status by state/territory[b]
3. SEIFA IRSD quintile

→ Calculate total children[a] →

The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in at least one quality early childhood education program.

X 100 = proportion

Disaggregation by:
1. state/territory
2. Indigenous status by state/territory
3. SEIFA IRSD quintile

Estimated number of children aged 4 years, as at 30 June of the collection year.

Estimated resident population (388656)

Estimated resident population of children aged 4 years →

Denominator

(a) Refer to Appendix A for instructions on creating unique child records from episode records.
(b) The location where the early childhood education program was delivered.

Note: refer to Appendix B for details on the inclusion and exclusion of response categories in the computation.

Proportion of enrolled children, enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year (Performance Indicator 4-6)

PI 4 All children

Indicator details	
Description	The proportion of enrolled children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s) for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education program hours enrolled (per week) (METeOR Id 602310) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s).
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 3: Proportion of enrolled children, enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. Enrolment in a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education program hours enrolled (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is enrolled across multiple service providers, the calculation will be the sum of (hours enrolled at each service multiplied by the service operation weeks for that service). Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. Numerator:

	The numerator is obtained by summing all children aged 4 or 5 years who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program(s) for a total of 600 hours or more per year.
	Denominator:
	The denominator is obtained by summing all children aged 4 or 5 years who have a 'Yes' against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling).
Identifiers	Person ID (SLK 581):
	The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK.
	Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements:
	• Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC
	Denominator: NECECC
Frequency of data source collection	Numerator: Annual
	Denominator: Annual

PI 5 Aboriginal and Torres Strait Islander children

Indicator details	
Description	The proportion of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s) for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education program hours enrolled (per week) (METeOR Id 602310) • Indigenous status (METeOR Id 615458) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s).
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Indigenous status (METeOR Id 615458)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 3: Proportion of enrolled children, enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. Enrolment in a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education program hours enrolled (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is enrolled across multiple service providers, the calculation will be the sum of (hours enrolled at each service multiplied by the service operation weeks for that service). Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year.

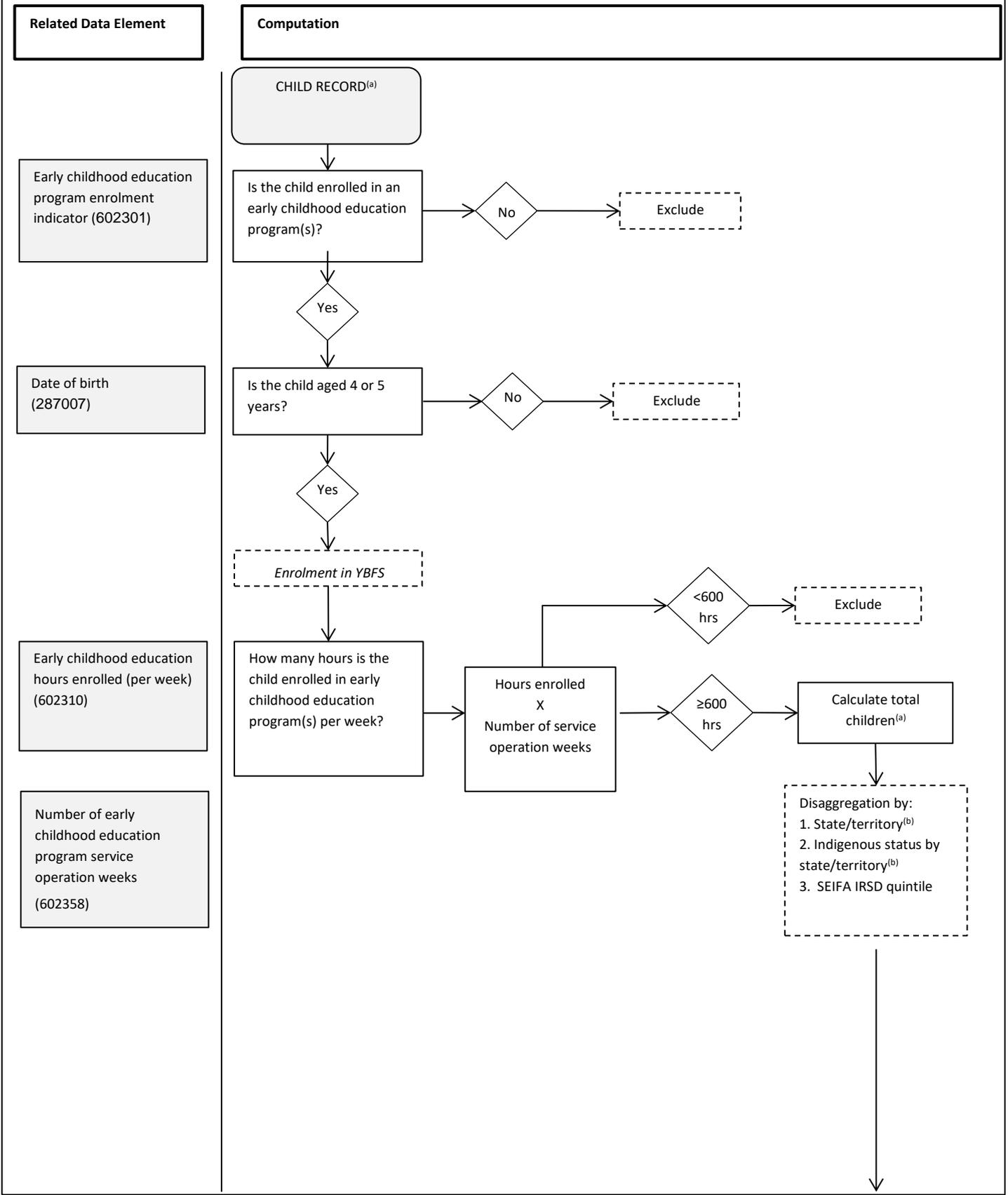|	
	Numerator: The numerator is obtained by summing all children aged 4 or 5 years who are reported as Aboriginal and/or Torres Strait Islander and have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program for a total of 600 hours or more per year. Denominator: The denominator is obtained by summing all children aged 4 or 5 years who are reported as Aboriginal and/or Torres Strait Islander and have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling).
Identifiers	Person ID (SLK 581): The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK. Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC Denominator: NECECC
Frequency of data source collection	Numerator: Annual Denominator: Annual

PI 6 Disadvantaged children[3]

Indicator details	
Description	The proportion of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are enrolled in the year before full-time schooling in a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are enrolled in the year before full-time schooling in one or more quality early childhood education program(s) for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education program hours enrolled (per week) (METeOR Id 602310) • SEIFA (2016 Census, ASGS 2016) cluster (METeOR Id 695778) • Address—Statistical Area level 1 (SA1) code (ASGS 2016) (METeOR Id 660637) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s).
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • SEIFA (2016 Census, ASGS 2016) cluster (METeOR Id 695778) • Address—Statistical Area level 1 (SA1) code (ASGS 2016) (METeOR Id 660637)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 3: Proportion of enrolled children, enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. Enrolment in a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education program hours enrolled (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is enrolled across multiple service providers, the calculation will be the sum of (hours enrolled at each service multiplied by the service operation weeks for that service).

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[3] There is currently no nationally agreed definition of 'disadvantaged children' under the Agreement—2022. The performance indicators use SEIFA IRSD, which is a nationally consistent measure of disadvantage available from the NECECC. States and territories may use different measures in their individual Implementation Plans as agreed bilaterally with the Commonwealth.

	Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year.
	Numerator:
	The numerator is obtained by summing all children aged 4 or 5 years who reside in areas with a SEIFA IRSD quintile of 1 (based on Statistical Area 1, SA1[4]) and who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program(s) for a total of 600 hours or more per year.
	Denominator:
	The denominator is obtained by summing all children aged 4 or 5 years who reside in areas with a SEIFA IRSD quintile of 1 (based on Statistical Area 1, SA1) and who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling).
Notes and Exceptions	Disadvantage is measured using the ABS Index of Relative Socio-economic Disadvantage (IRSD) derived from the 2016 ABS Census of Population and Housing. IRSD is a general socio-economic index that summarises a range of information about the economic and social resources of people and households within an area. Census variables that comprise this index include low income, no qualifications, low educational attainment, unemployment, overcrowded housing, disability, dwellings without motor vehicles, and Indigenous status. See the ABS website for more information (Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016, ABS cat. no. 2033.0.55.001 https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD~19).).The use of SEIFA IRSD to measure disadvantage for this performance indicator may be reviewed pending national agreement on a definition of children experiencing disadvantage.
Identifiers	Person ID (SLK 581):
	The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK.
	Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC Denominator: NECECC
Frequency of data source collection	Numerator: Annual Denominator: Annual

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[4] Subject to availability, SEIFA quintiles may be based on state/territory rankings rather than rankings for Australia.

PI 4-6 PROPORTION OF ENROLLED CHILDREN, ENROLLED IN THE YEAR BEFORE FULL-TIME SCHOOL, IN QUALITY EARLY CHILDHOOD EDUCATION PROGRAM(S) FOR 600 HOURS PER YEAR

Related Data Element	Computation

CHILD RECORD[a]

Early childhood education program enrolment indicator (602301)

Is the child enrolled in an early childhood education program(s)? → No → Exclude

Yes

Date of birth (287007)

Is the child aged 4 or 5 years? → No → Exclude

Yes

Enrolment in YBFS

Early childhood education hours enrolled (per week) (602310)

How many hours is the child enrolled in early childhood education program(s) per week?

Hours enrolled X Number of service operation weeks

<600 hrs → Exclude

≥600 hrs → Calculate total children[a]

Number of early childhood education program service operation weeks (602358)

Disaggregation by:
1. State/territory[b]
2. Indigenous status by state/territory[b]
3. SEIFA IRSD quintile

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                                            ┌──────────────────┐
                                            │    Numerator     │
                                            └──────────────────┘
                                                      │
                                                      ▼
                              ┌────────────────────────────────────────────┐
                              │ The number of children aged 4 and 5 years   │
                              │ as at 1 July of the collection year, who    │
                              │ are enrolled in the year before full-time   │
                              │ schooling in one or more quality early      │
                              │ childhood education program(s) for a total  │
                              │ of 600 hours or more in the collection year.│
                              └────────────────────────────────────────────┘

                                        ÷        X 100 = proportion

                              ┌────────────────────────────────────────────┐
                              │ The number of children aged 4 and 5 years   │
                              │ as at 1 July of the collection year, who    │
                              │ are enrolled in the year before full-time   │
                              │ schooling in one or more quality early      │
                              │ childhood education program(s).             │
                              └────────────────────────────────────────────┘

                                            ┌──────────────────┐
                                            │   Denominator    │
                                            └──────────────────┘
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(a) Refer to Appendix A for instructions on creating unique child records from episode records.

(b) The location where the early childhood education program was delivered.

Note: Refer to Appendix B for details on the inclusion and exclusion of response categories in the computation.

Proportion of enrolled children who attend, in the year before full-time school, quality early childhood education program(s) for 600 hours per year (non-payment performance indictaor)

All children

Indicator details	
Description	The proportion of enrolled children aged 4 and 5 years as at 1 July of the collection year, who are attending in the year before full-time schooling a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who are attending in the year before full-time schooling one or more quality early childhood education program(s) for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program attendance indicator (METeOR Id 602298) • Date of birth (METeOR Id 287007) • Early childhood education hours attended (per week) (METeOR Id 602308) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education program hours enrolled (per week) (METeOR Id 602310) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 4: Proportion of enrolled children who attend, in the year before full-time school, quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'.

	Attendance at a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education program hours attended (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is attending across multiple service providers, the calculation will be the sum of (hours attended at each service multiplied by the service operation weeks for that service).
	Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year.
	Numerator:
	The numerator is obtained by summing all children aged 4 or 5 years who have a 'Yes' response against the child level data element 'Early childhood education program attendance indicator' (representing attendance in the year before full-time schooling), and who attend a program(s) for a total of 600 hours or more per year.
	Denominator:
	The denominator is obtained by summing all children aged 4 or 5 years who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program(s) for a total of 600 hours or more per year.
Identifiers	Person ID (SLK 581):
	The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK.
	Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC Denominator: NECECC
Frequency of data source collection	Numerator: Annual Denominator: Annual

Aboriginal and Torres Strait Islander children

Indicator details	
Description	The proportion of Aboriginal and Torres Strait Islander enrolled children aged 4 and 5 years as at 1 July of the collection year, who are attending in the year before full-time schooling a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are attending in the year before full-time schooling one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program attendance indicator (METeOR Id 602298) • Date of birth (METeOR Id 287007) • Early childhood education hours attended (per week) (METeOR Id 602308) • Indigenous status (METeOR Id 615458) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of Aboriginal and Torres Strait Islander children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education hours enrolled (per week) (METeOR Id 602310) • Indigenous status (METeOR Id 615458) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 4: Proportion of enrolled children who attend, in the year before full-time school, quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'. Attendance at a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education hours attended (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is attending across multiple service providers, the calculation will be the sum of (hours attended at each service multiplied by the service operation weeks for that service). Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year.

	Numerator:
	The numerator is obtained by summing all children aged 4 or 5 years who are reported as Aboriginal and/or Torres Strait Islander and have a 'Yes' response against the child level data element 'Early childhood education program attendance indicator' (representing attendance in the year before full-time schooling), and who attend a program(s) for a total of 600 hours or more per year.
	Denominator:
	The denominator is obtained by summing all children aged 4 or 5 years who are reported as Aboriginal and/or Torres Strait Islander and have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program(s) for a total of 600 hours or more per year.
Identifiers	Person ID (SLK 581):
	The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK.
	Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements:
	• Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC
	Denominator: NECECC
Frequency of data source collection	Numerator: Annual
	Denominator: Annual

Disadvantaged children[5]

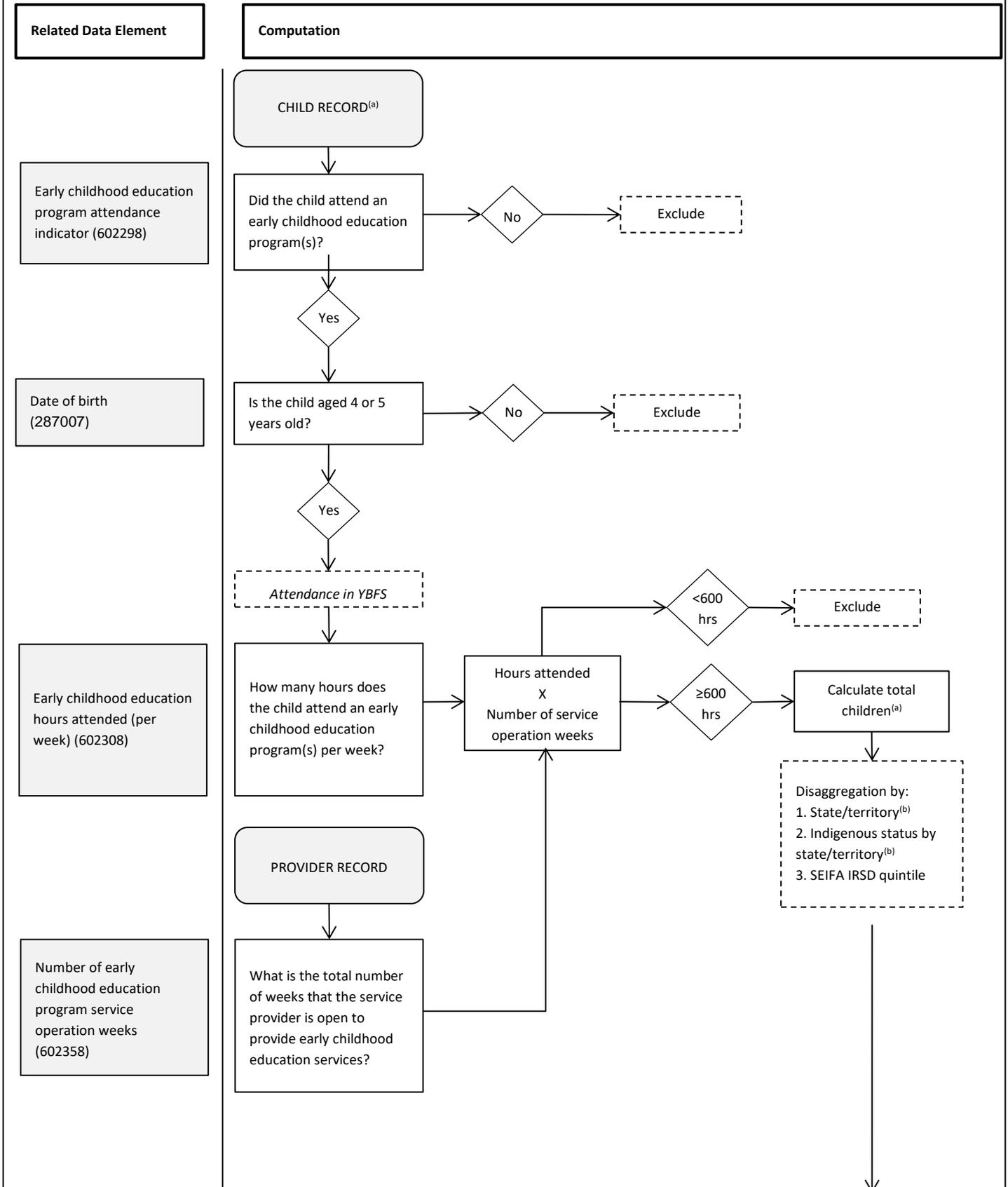| Indicator details	
Description	The proportion of enrolled children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are attending in the year before full-time schoolin g a quality early childhood education program(s) for 600 hours per year.
Numerator	The number of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are attending in the year before full-time schooling one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.
Numerator data elements	Child/Person URL data elements: • Early childhood education program attendance indicator (METeOR Id 602298) • Date of birth (METeOR Id 287007) • Early childhood education hours attended (per week) (METeOR Id 602308) • SEIFA (2016 Census, ASGS 2016) cluster (METeOR Id 695778) • Address—Statistical Area level 1 (SA1) code (ASGS 2016) (METeOR Id 660637) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Denominator	The number of children aged 4 and 5 years as at 1 July of the collection year, who reside in disadvantaged areas and are enrolled in the year before full-time schooling in one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.
Denominator data elements	Child/Person URL data elements: • Early childhood education program enrolment indicator (METeOR Id 602301) • Date of birth (METeOR Id 287007) • Early childhood education hours enrolled (per week) (METeOR Id 602310) • SEIFA (2016 Census, ASGS 2016) cluster (METeOR Id 695778) • Address—Statistical Area level 1 (SA1) code (ASGS 2016) (METeOR Id 660637) Service provider organisation URL data elements: • Number of early childhood education program service operation weeks (METeOR Id 602358)
Computation	Numerator ÷ Denominator X 100 = Proportion Refer to flow chart PI 4: Proportion of enrolled children who attend, in the year before full-time school, quality early childhood education program(s) for 600 hours per year
Presentation	Proportion
Calculation rules	This performance indicator requires child level data. For instructions on creating unique child records from child episode data, including how to treat multiple enrolments and repeat enrolments over time, see Appendix A: 'Creating unique child records from episode records'.

[5] There is currently no nationally agreed definition of 'disadvantaged children' under the Agreement–2022. The performance indicators use SEIFA IRSD, which is a nationally consistent measure of disadvantage available from the NECECC. States and territories may use different measures in their individual Implementation Plans as agreed bilaterally with the Commonwealth.

	Attendance at a program(s) for a total of 600 hours or more per year is determined by multiplying 'Early childhood education hours attended (per week)' by the 'Number of early childhood education program service operation weeks' to gain a figure above or below 600 hours per year. Where a child is attending across multiple service providers, the calculation will be the sum of (hours attended at each service multiplied by the service operation weeks for that service). Age is calculated for children using their date of birth, referenced to their age at 1 July of the collection year. Numerator: The numerator is obtained by summing all children aged 4 or 5 years who reside in areas with a SEIFA IRSD quintile of 1 (based on Statistical Area 1, SA1[6]) and who have a 'Yes' response against the child level data element 'Early childhood education program attendance indicator' (representing attendance in the year before full-time schooling), and who attend a program(s) for a total of 600 hours or more per year. Denominator: The denominator is obtained by summing all children aged 4 or 5 years who reside in areas with a SEIFA IRSD quintile of 1 (based on Statistical Area 1, SA1) and who have a 'Yes' response against the child level data element 'Early childhood education program enrolment indicator' (representing enrolment in the year before full-time schooling), and who are enrolled in a program(s) for a total of 600 hours or more per year.
Notes and Exceptions	Disadvantage is measured using the ABS Index of Relative Socio-economic Disadvantage (IRSD) derived from the 2016 ABS Census of Population and Housing. IRSD is a general socio-economic index that summarises a range of information about the economic and social resources of people and households within an area. Census variables that comprise this index include low income, no qualifications, low educational attainment, unemployment, overcrowded housing, disability, dwellings without motor vehicles, and Indigenous status. See the ABS website for more information (Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016, ABS cat. no. 2033.0.55.001 https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD~19).). The use of SEIFA IRSD to measure disadvantage for this performance indicator may be reviewed pending national agreement on a definition of children experiencing disadvantage.
Identifiers	Person ID (SLK 581): The SLK will provide a unique identifier for the vast majority of children. For the small percentage that may have the same SLK, legitimate duplicates can be identified by jurisdictions by using a child/student database to check the name, date of birth, sex and address details of each child with an identical SLK. Matching SLKs should be identified appropriately. See Appendix A: 'Creating unique child records from episode records'.
Identifier data elements	Child/Person URL data elements: • Statistical linkage key 581 (METeOR Id 349895)
Data collection details	
Data source(s)	Numerator: NECECC Denominator: NECECC

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[6]   Subject to availability, SEIFA quintiles may be based on state/territory rankings rather than rankings for Australia.

Frequency of data source collection	Numerator: Annual Denominator: Annual

PROPORTION OF ENROLLED CHILDREN WHO ATTEND, IN THE YEAR BEFORE FULL-TIME SCHOOL, QUALITY EARLY CHILDHOOD EDUCATION PROGRAM(S) FOR 600 HOURS PER YEAR

Related Data Element	Computation

CHILD RECORD[a]

Early childhood education program attendance indicator (602298)

Did the child attend an early childhood education program(s)?

No → Exclude

Yes

Date of birth (287007)

Is the child aged 4 or 5 years old?

No → Exclude

Yes

Attendance in YBFS

Early childhood education hours attended (per week) (602308)

How many hours does the child attend an early childhood education program(s) per week?

Hours attended X Number of service operation weeks

<600 hrs → Exclude

≥600 hrs → Calculate total children[a]

PROVIDER RECORD

Number of early childhood education program service operation weeks (602358)

What is the total number of weeks that the service provider is open to provide early childhood education services?

Disaggregation by:
1. State/territory[b]
2. Indigenous status by state/territory[b]
3. SEIFA IRSD quintile

The number of children aged 4 and 5 years as at 1 July of the collection year, who are attending in the year before full-time schooling one or more quality early childhood education program(s) for a total of 600 hours or more in the collection year.

$\dot{-}$ X 100 = proportion

The number of children aged 4 and 5 years as at 1 July of the collection year, who are enrolled in the year before full-time schooling in one or more quality early childhood education program(s), for a total of 600 hours or more in the collection year.

Denominator

(a) Refer to Appendix A for instructions on creating unique child records from episode records.

(b) The location where the early childhood education program was delivered.

Note: Refer to Appendix B for details on the inclusion and exclusion of response categories in the computation.

Appendix B.1: Creating unique child records from episode records

This appendix summarises, for background purposes only, how unique child records have been created from episode records in the National Early Childhood Education and Care Collection (NECECC). Methods have improved over time in order to maximise the accuracy of this process and may continue to do so.

Linking of records across data sources

The NECECC utilises and combines data from different sources. Within and across the individual data files supplied by data providers, there may be more than one episode record for a single child. These records consequently need to be linked together in order to produce accurate child statistics. The following data elements have been used for linking the multiple data sources:

- Statistical Linkage Key (SLK)
- SLK Match Code
- Geographic location of child's residence

When linking within a file, if two records have the same SLK and the same SLK Match code, then they are considered as belonging to the same child. If the same SLK does not link on the SLK Match code, or no Match code is supplied, they are considered as being separate children.

When linking across files, the SLK and child geography are used to identify records that belong to a single child.

These linking processes occur after the ABS has identified and reconciled/removed duplicate episode records from the different data sources. This reconciliation uses service provider names and address information.
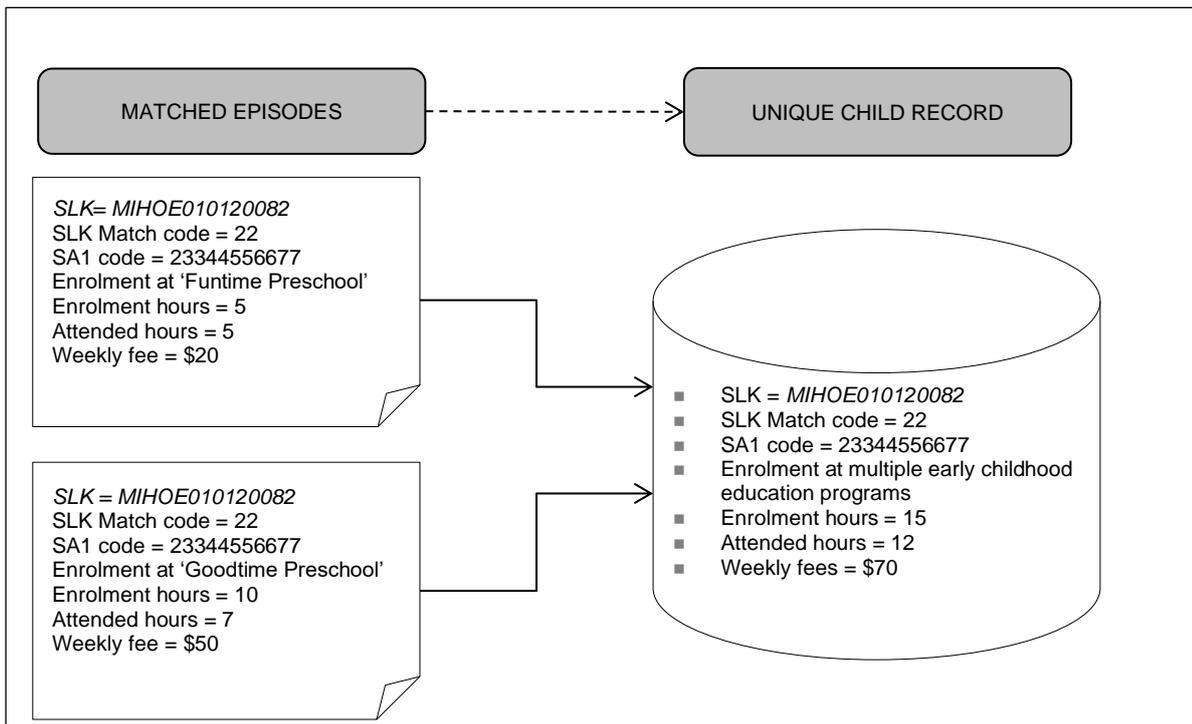
Reporting Child Counts

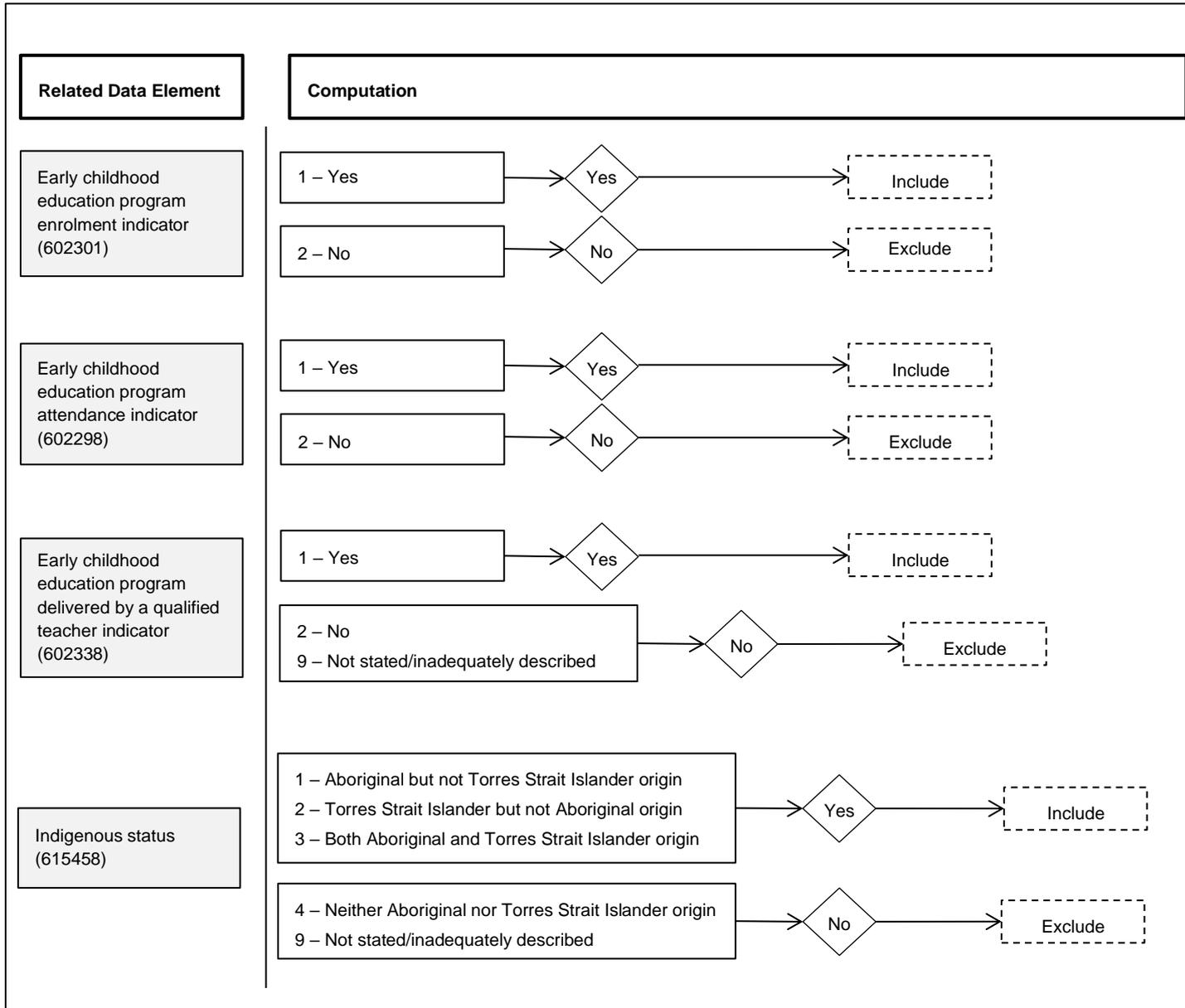After completing linking, a data item is created to mark:

- a child with records solely from a state/territory source
- a child with records solely from a CCSS source
- a child with records from both a state/territory and a CCSS source.

Where two or more child episodes are linked, the unique characteristics within each episode are used to formulate the characteristics of the corresponding unique child record. Figure A.1 provides an example of how the child level data items are produced from episode level information (eg total hours enrolled is calculated from the child's individual episodes).

Figure A.1: Child episode record to unique child record

Appendix B.2: Values for inclusion in PI calculations

Related Data Element	Computation

Early childhood education program enrolment indicator (602301)

1 – Yes → Yes → Include

2 – No → No → Exclude

Early childhood education program attendance indicator (602298)

1 – Yes → Yes → Include

2 – No → No → Exclude

Early childhood education program delivered by a qualified teacher indicator (602338)

1 – Yes → Yes → Include

2 – No
9 – Not stated/inadequately described → No → Exclude

Indigenous status (615458)

1 – Aboriginal but not Torres Strait Islander origin
2 – Torres Strait Islander but not Aboriginal origin
3 – Both Aboriginal and Torres Strait Islander origin → Yes → Include

4 – Neither Aboriginal nor Torres Strait Islander origin
9 – Not stated/inadequately described → No → Exclude

List of PI flow charts

List of figures

References

ABS (Australian Bureau of Statistics) 2015. Preschool education, Australia 2020. Preschool Education, Australia, 2020 | Australian Bureau of Statistics (abs.gov.au)

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