



# Why does investment in ECEC make economic sense?

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# New ECEC thinking

EFA Global  
Monitoring Report

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Education for All

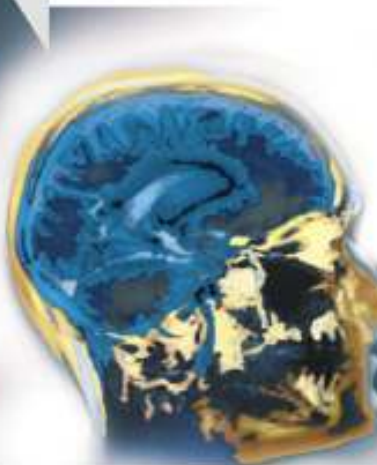
## Strong foundations



### Starting Strong II

EARLY CHILDHOOD  
EDUCATION AND CARE

### Understanding the Brain: The Birth of a Learning Science



### Babies and Bosses RECONCILING WORK AND FAMILY LIFE



OECD INSIGHTS

BRIAN KEELEY

# HUMAN CAPITAL

How what you know shapes your life



A SYNTHESIS OF FINDINGS FOR OECD COUNTRIES

OECD

OECD  
OECD PUBLICATIONS



CERI  
CENTRE FOR EARLY CHILDHOOD RESEARCH AND INNOVATION



# Starting Strong study - OECD



Examined how countries implemented key aspects of ECEC policy

Lends support to significant public investment in quality ECEC

Drew 10 policy conclusions

Reviewed Australian policy in relief with other OECD countries

## 20 countries invited the OECD to review ECEC policy & provision in 1998 - - 2004

- Australia 
- Austria 
- Belgium Fl 
- Belgium Fr 
- Canada 
- Czech Rep. 
- Denmark 
- Finland 
- France 
- Germany 
- Hungary 
- Ireland 
- Italy 
- Korea 
- Mexico 
- Netherlands 
- Norway 
- Portugal 
- Sweden 
- UK 
- USA 

# Why do countries invest?

## REASONS Cluster A: IMPROVING LIFE CHANCES

- For children's personal, social and identity formation
- To assure the rights of children as citizens
- The first step in life-long learning >>> leading towards school education
- For social cohesion and ideological reasons

# **Why** do countries invest?

## **REASONS Cluster B: IMPROVING THE ECONOMY**

- To help the rise of the service economy & women's labour market participation
- To help reconcile work-family responsibilities

# Why do countries invest?

## **REASONS Cluster C:** Alleviating poverty & disadvantage

- To act against poverty/disadvantage (social, environmental, economic, cultural)
- To address demographic challenges of low fertility, immigration, social exclusion, cultural and linguistic diversity

# The range & scope of investments

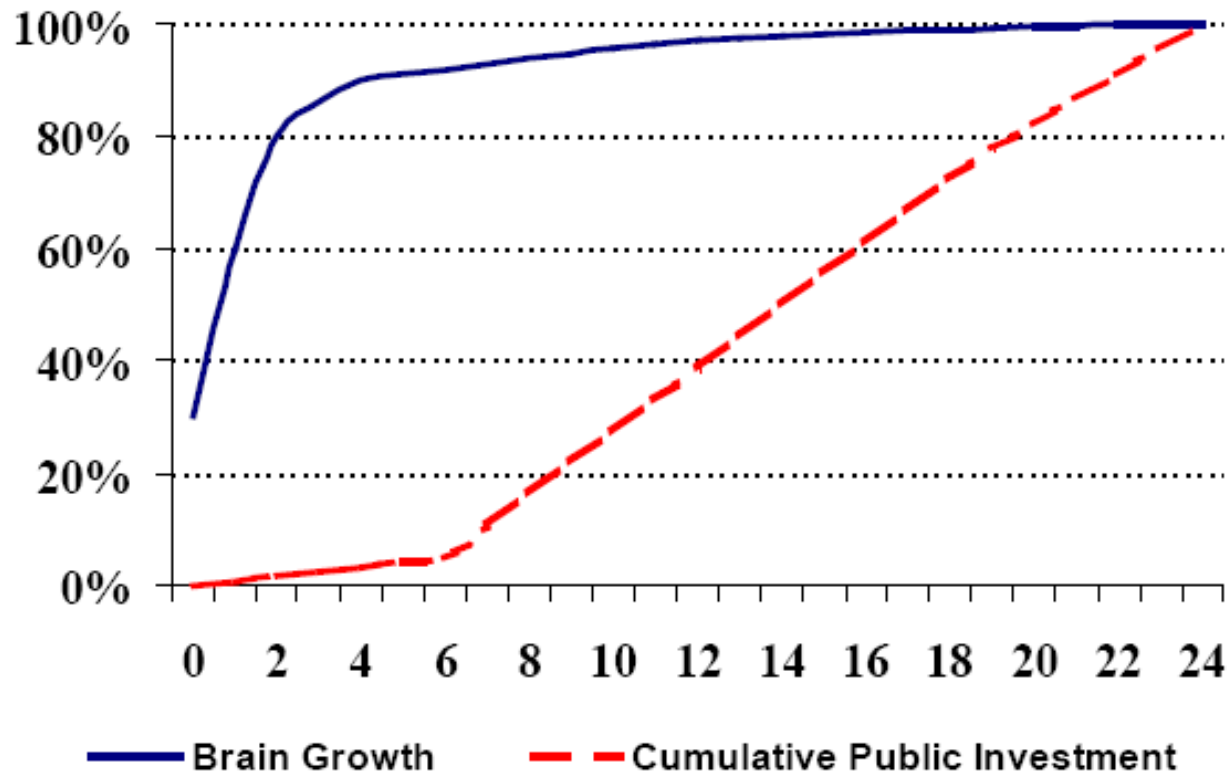
## SET the ACCESS CONDITIONS

- Free / fee-paying
- Duration (short hours/full-day, full/part year)
- Type (parental leave, home/centre, after school)
- Location (urban, regional, remote)
- Which children (targets, diversity, inclusion)

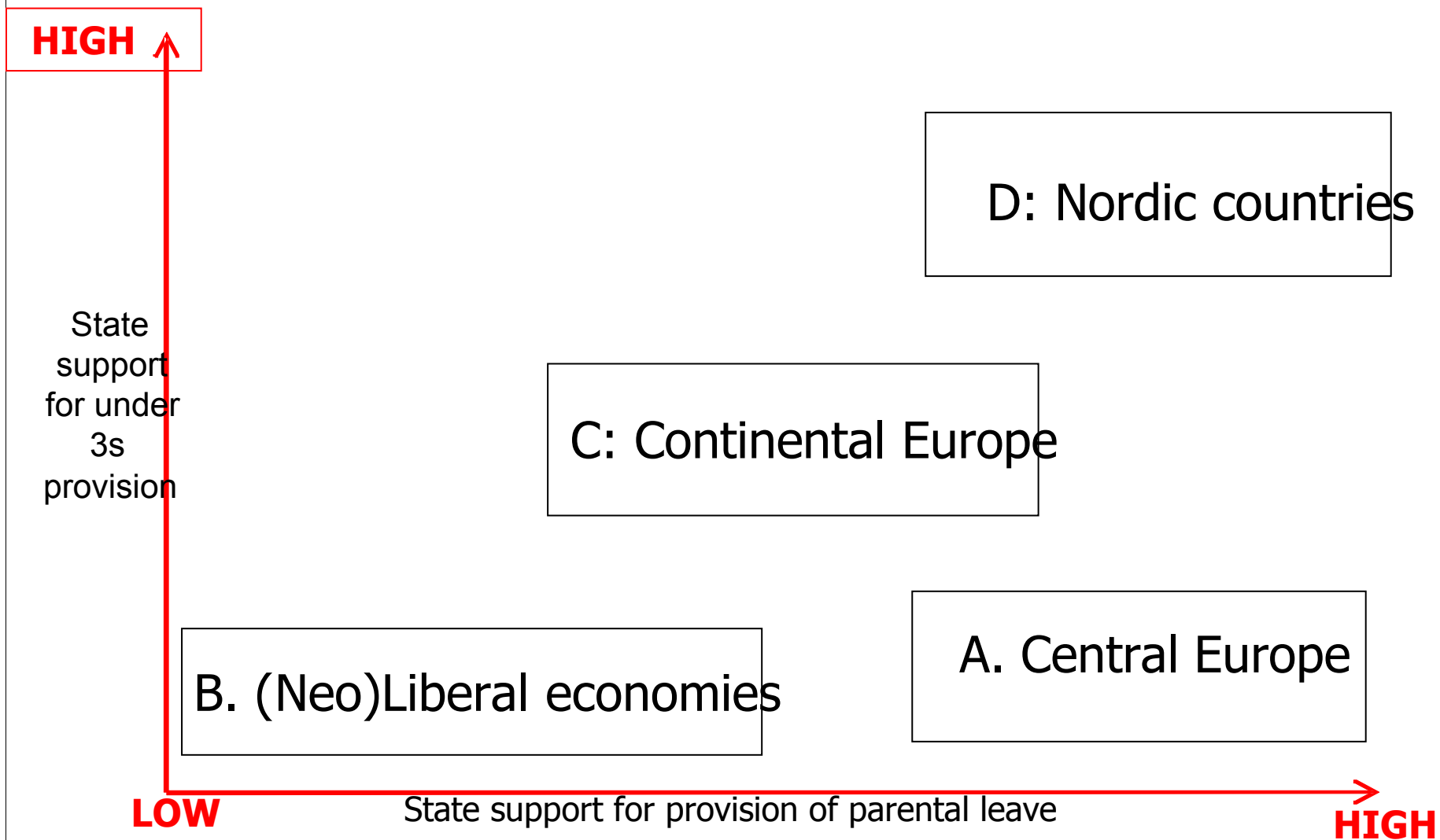


US investment in education related to brain growth  
Although 85% of a child's core brain structure is formed by age three, less than 4% of public investments in education and development have occurred by that time  
(Source: Child and Family Policy Center, 2004)

## Brain Growth and Public Investments by Child Age



# Traditions influence ECEC investment



*Bennett, 2005 cited in OECD Starting Strong II, 2006*



# The *Australian problem* - access (quantity, quality)

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## ACCESS:

### Legal entitlement 'free' program @ 5-6yrs

1-2yrs	26.3%
2-3yrs	40.0%
3-4yrs	61.5%
4-5yrs	80.9%

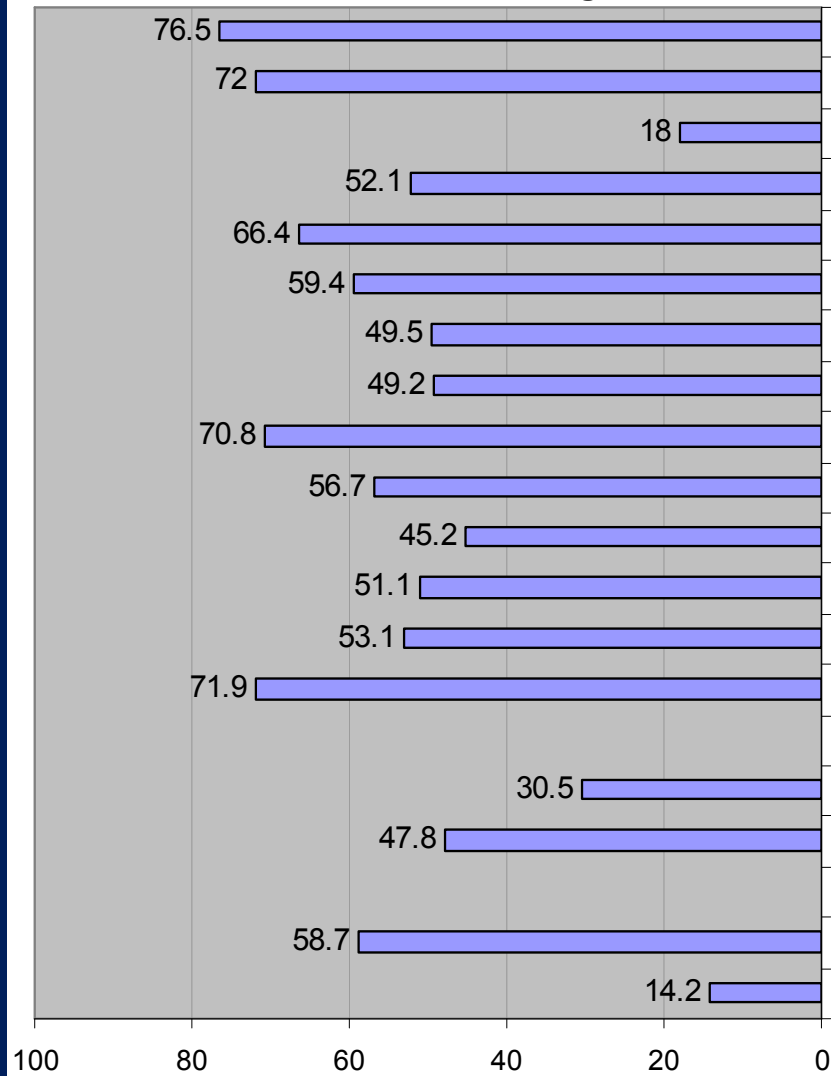
OECD 2006, Starting Strong II

## QUALITY:

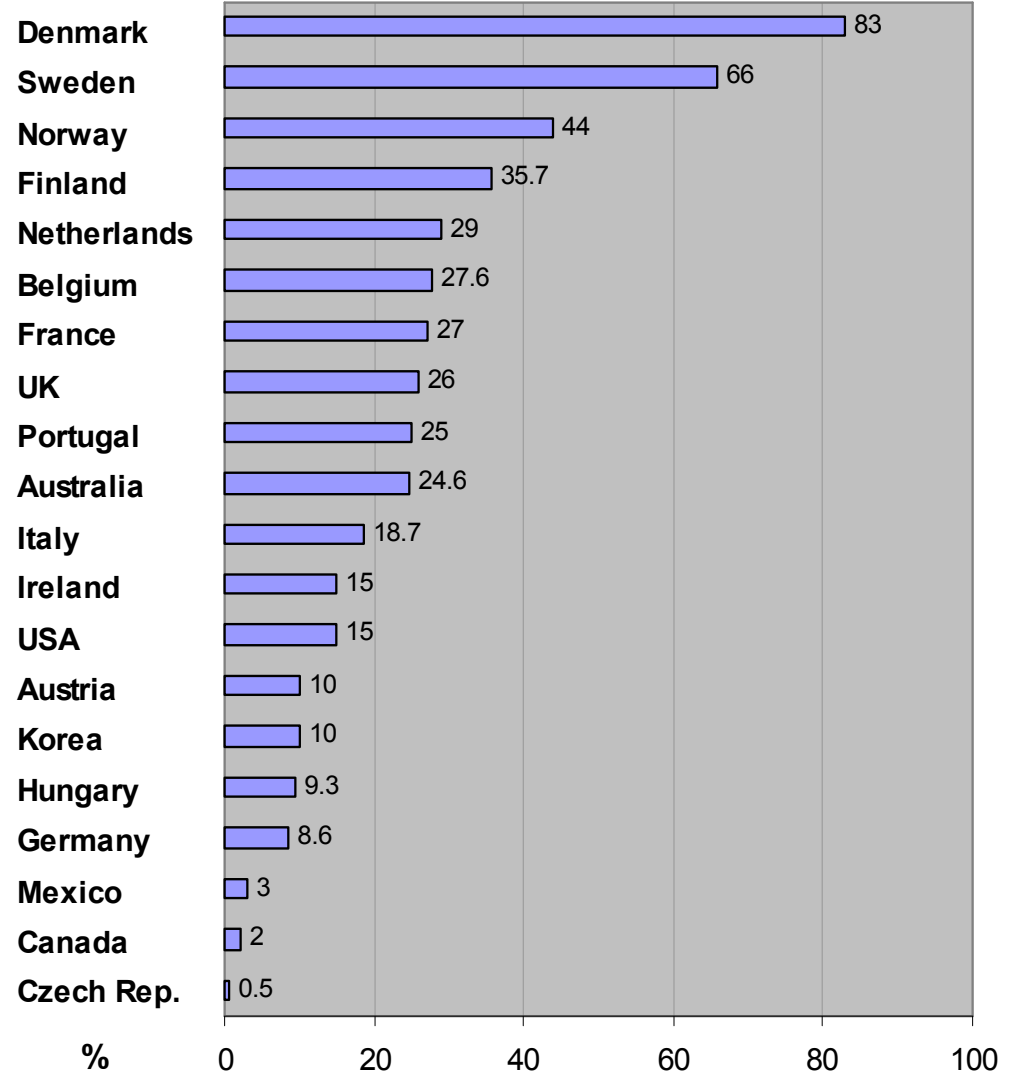
Qualifications: **<60% of ECEC contact staff hold *any* formal qualification**  
NCAC "quality accreditation" - ceiling effects, dichotomous variables,  
calibration

# Employment rates mother with children under 3 – Child access rates to licensed services

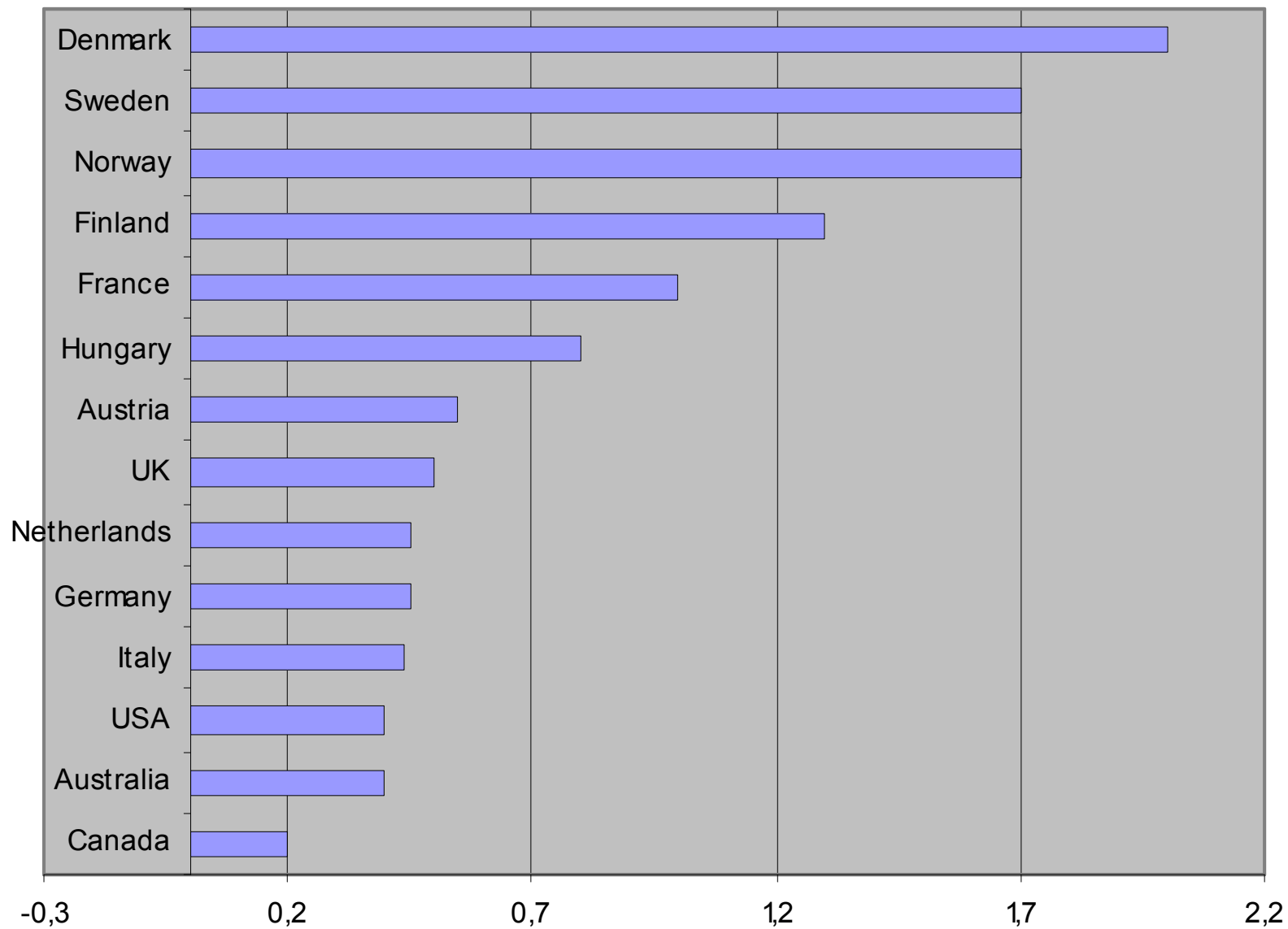
**Employment rate for women with children under age 3**



**Percentage of 0-3 year olds using licensed child care arrangements**



# FUNDING of ECEC services (birth-6yr olds) in selected countries (%GDP)

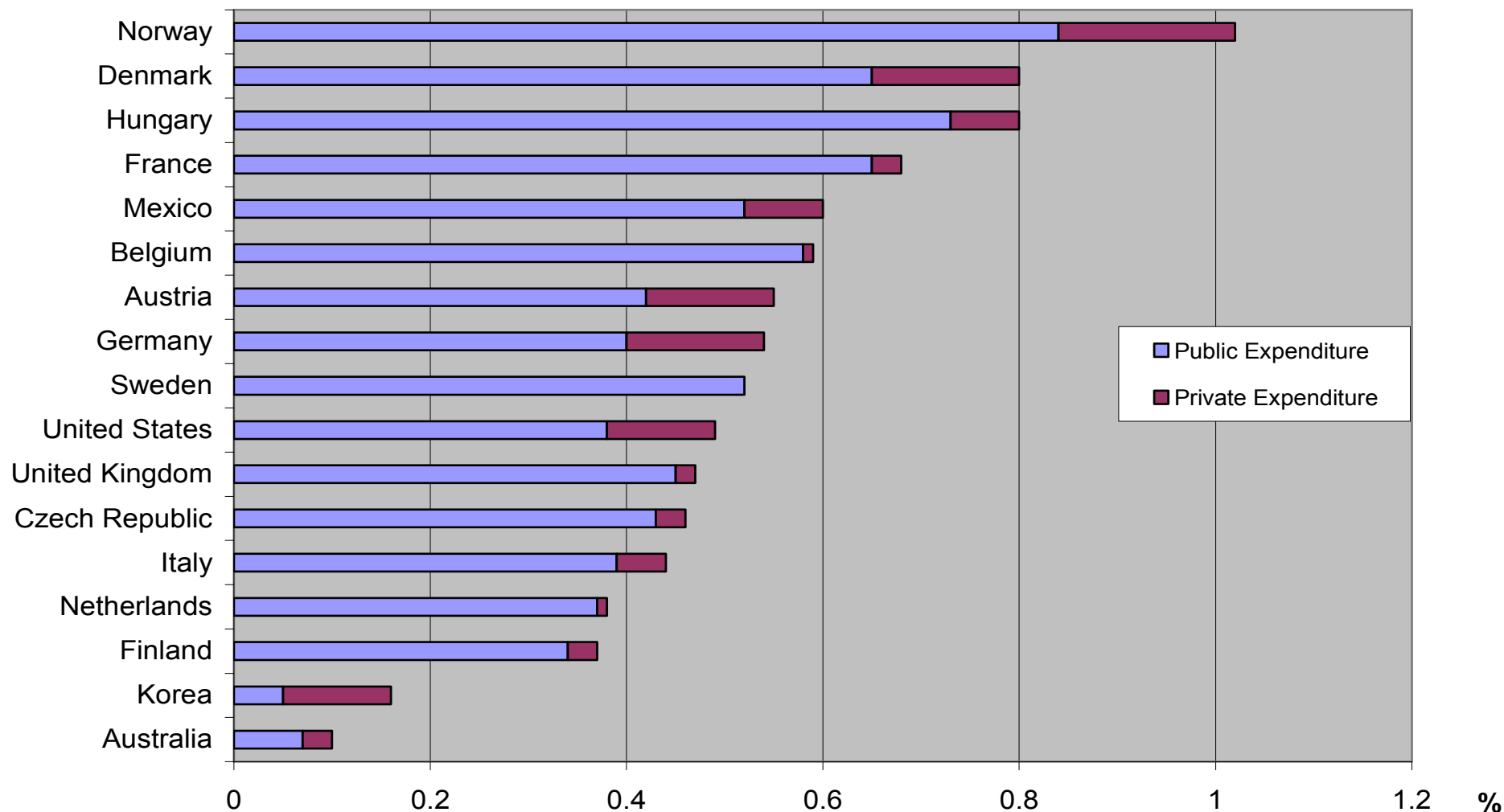


# How much should countries invest?

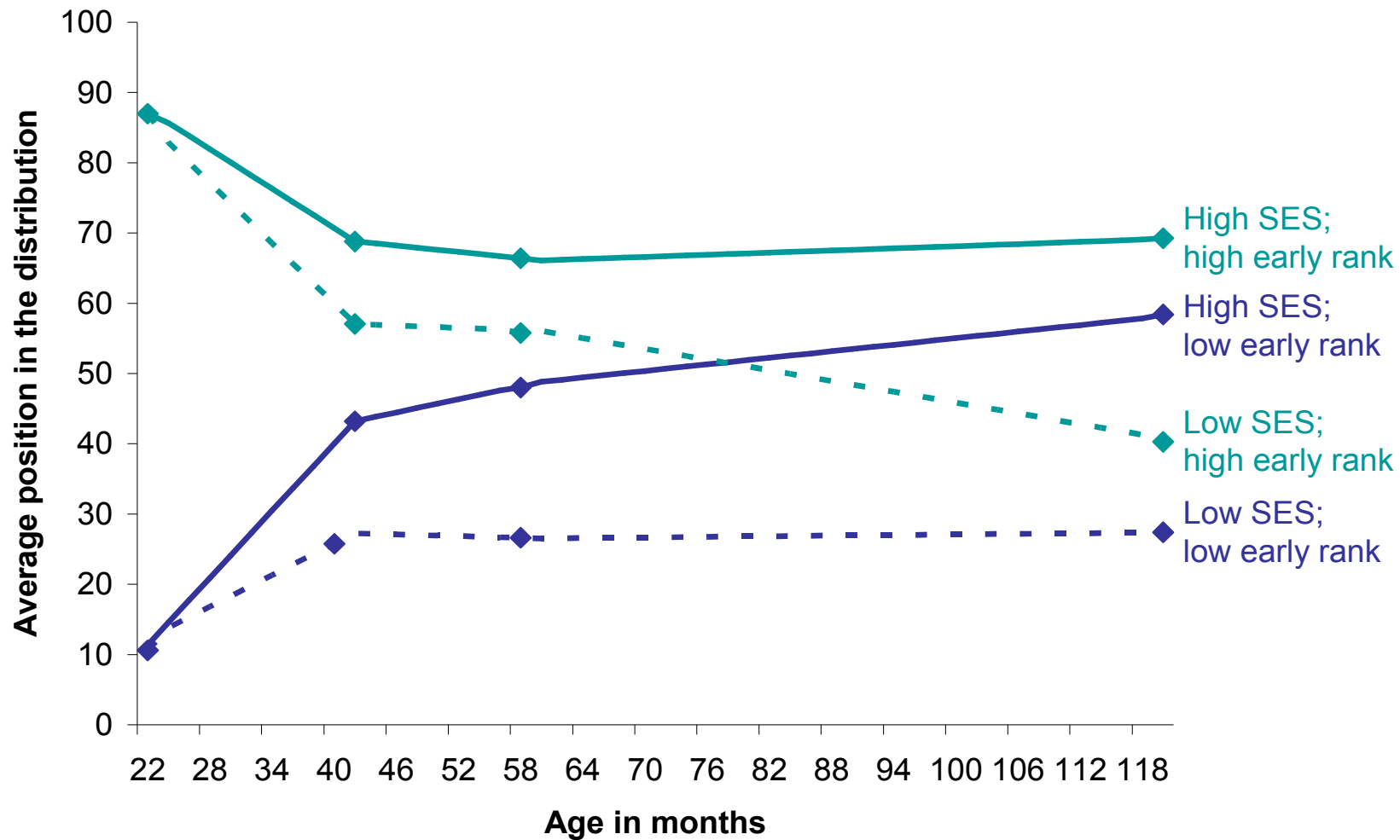
Estimates/child for High quality ECEC program

	Half day school	Full day school	Full-day/year
<b>DENMARK</b>			US\$19,500 (13,650 30% parental)
<b>FINLAND</b>			EUR 10,250 (not inc parental contribu
<b>NORWAY</b>			EUR 12,520 (not inc parental contribu
<b>SWEDEN</b>			US\$ 12,100 (not inc parental contribu
<b>USA</b> (Abecedarian, 2002 costs)		\$ 13,000	
<b>US Com. ECON Dev.</b>	\$ 5,100	\$ 8,800	
<b>US HEAD START</b>	\$ 8,625		
Kagan & Rigby	\$ 4, 000 - 6,000	\$8,000 -12,000	

# Public and private expenditure on pre-primary education (3-6 yrs) in selected countries (%GDP)

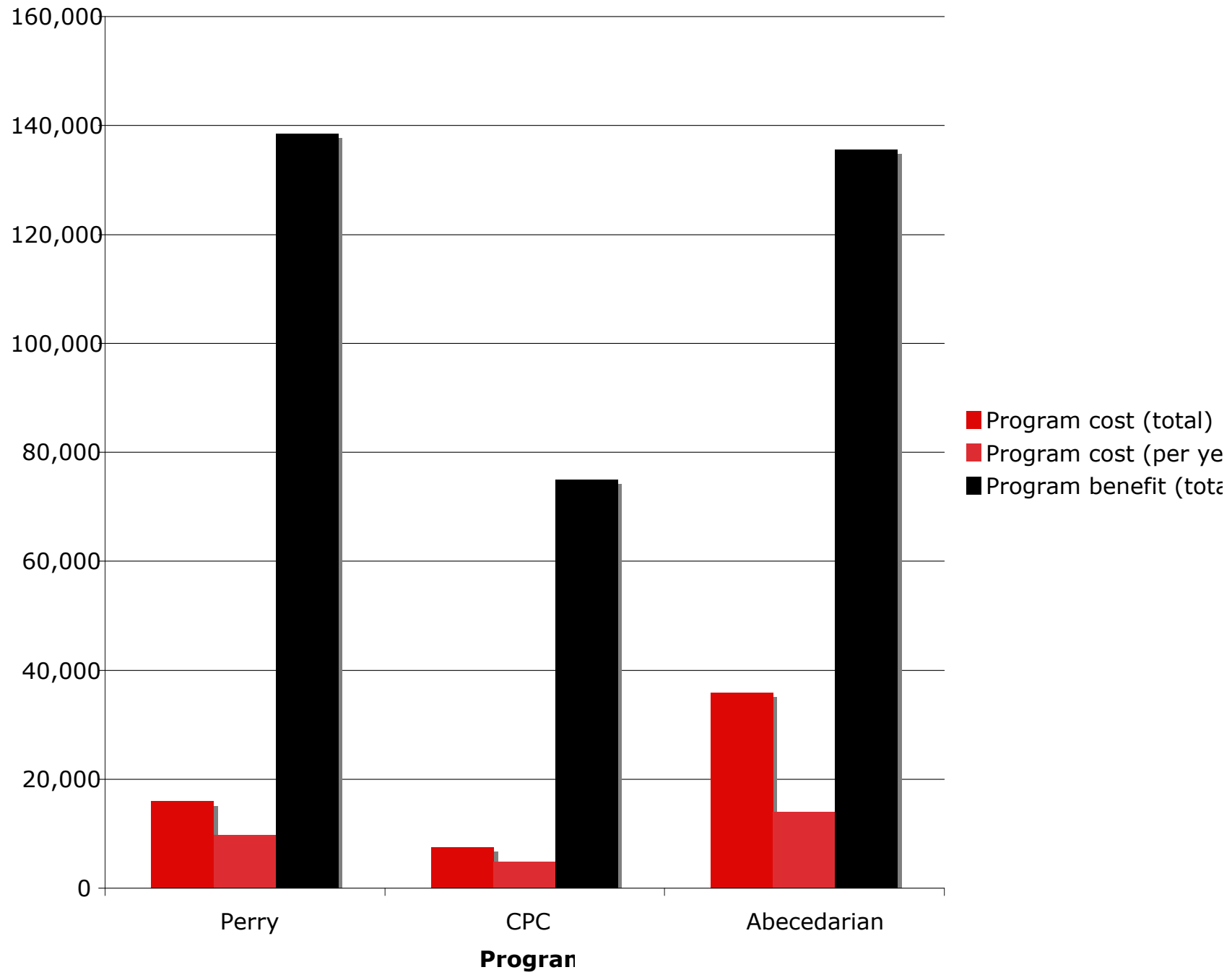


# Start engagement early....

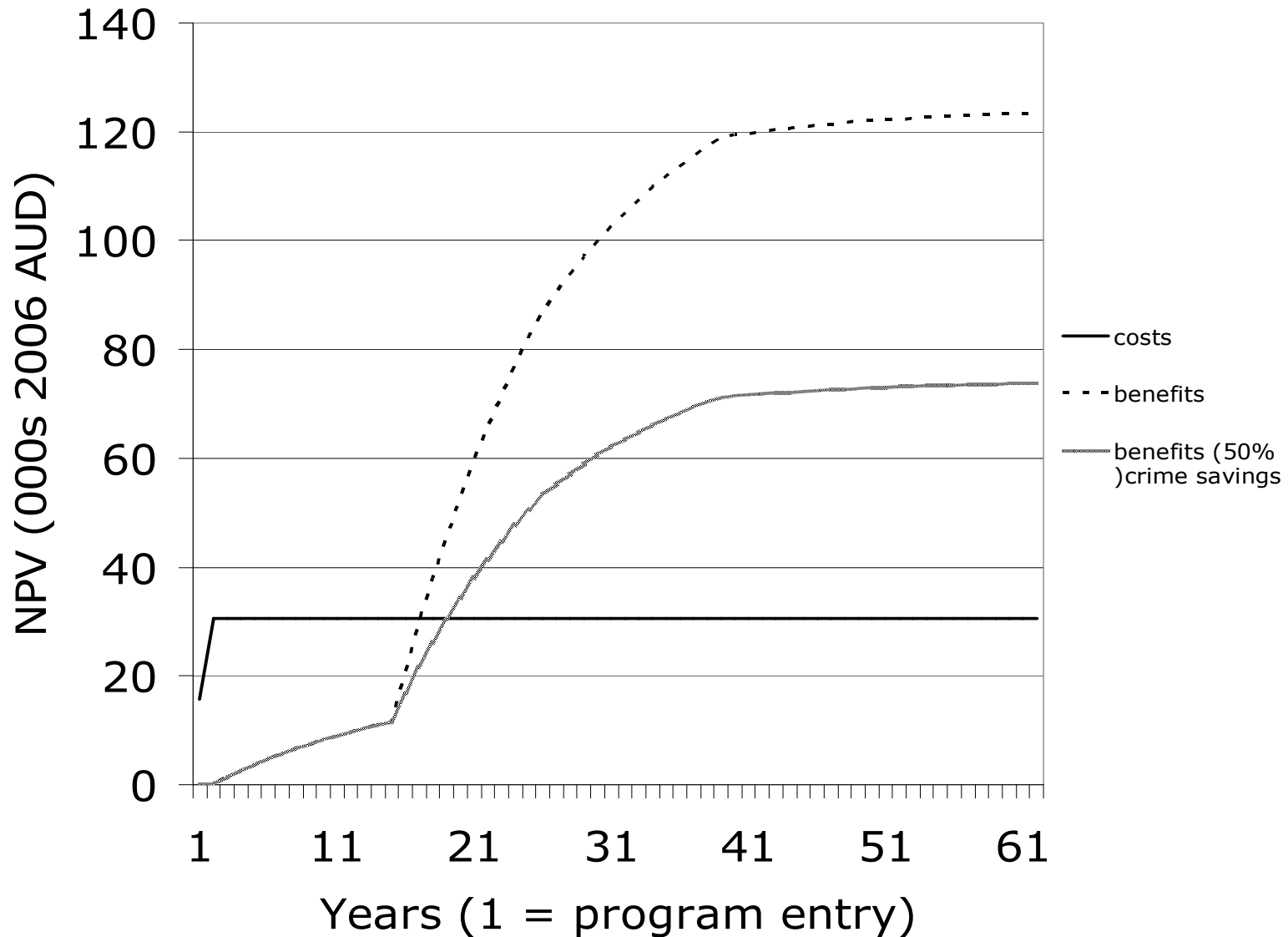


Source: Feinstein, *Economica* (2003)



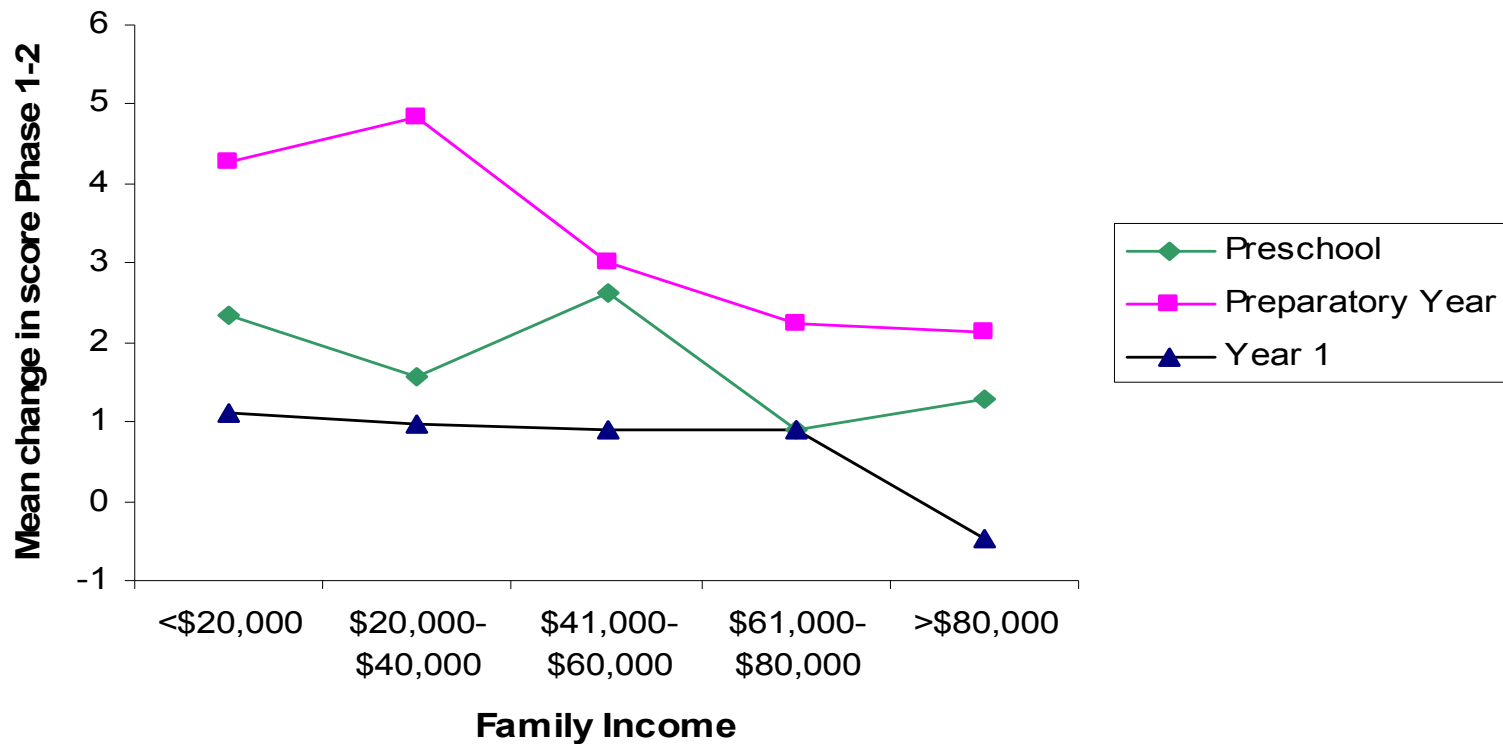


# Perry extrapolation to Australia



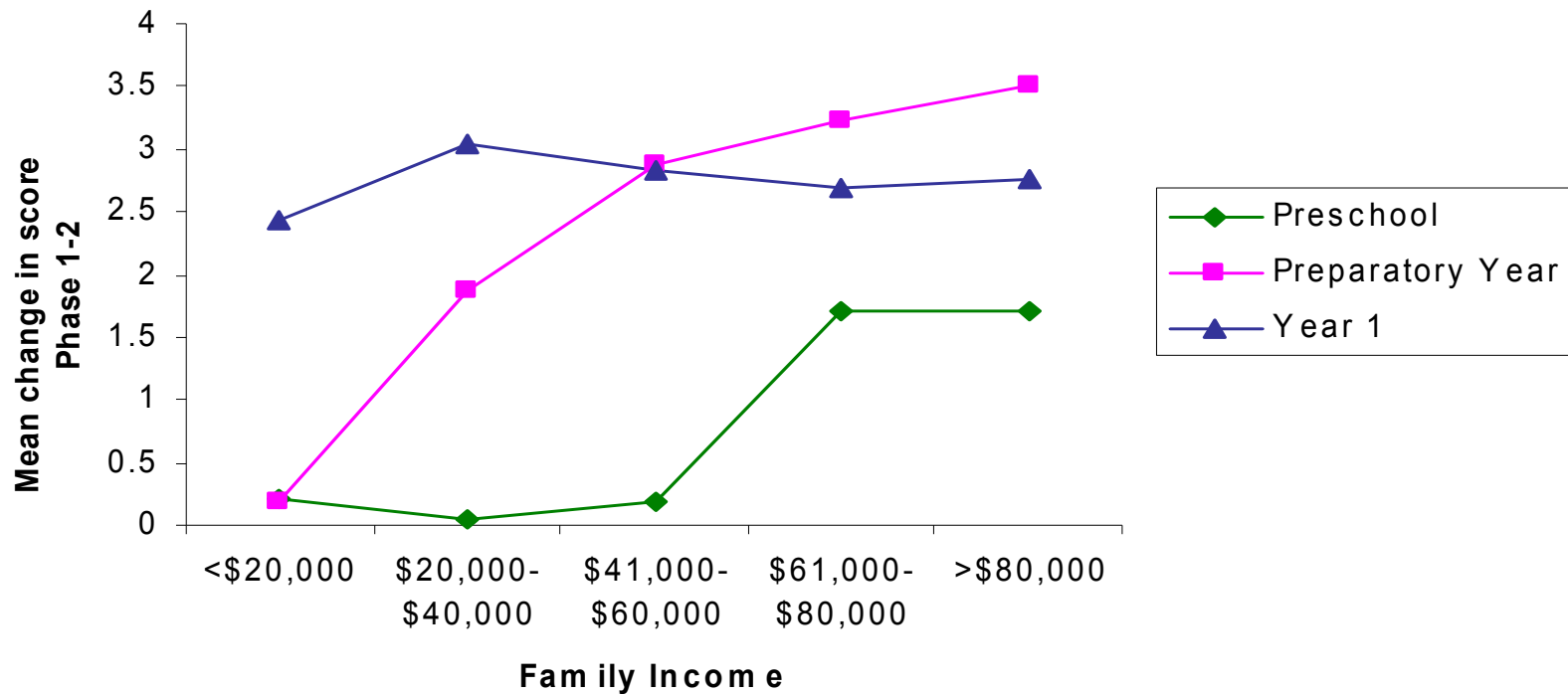
# Income and social development

**Mean Change Scores for Settling Into Schools  
Measure by Family Income and Program Enrolment**

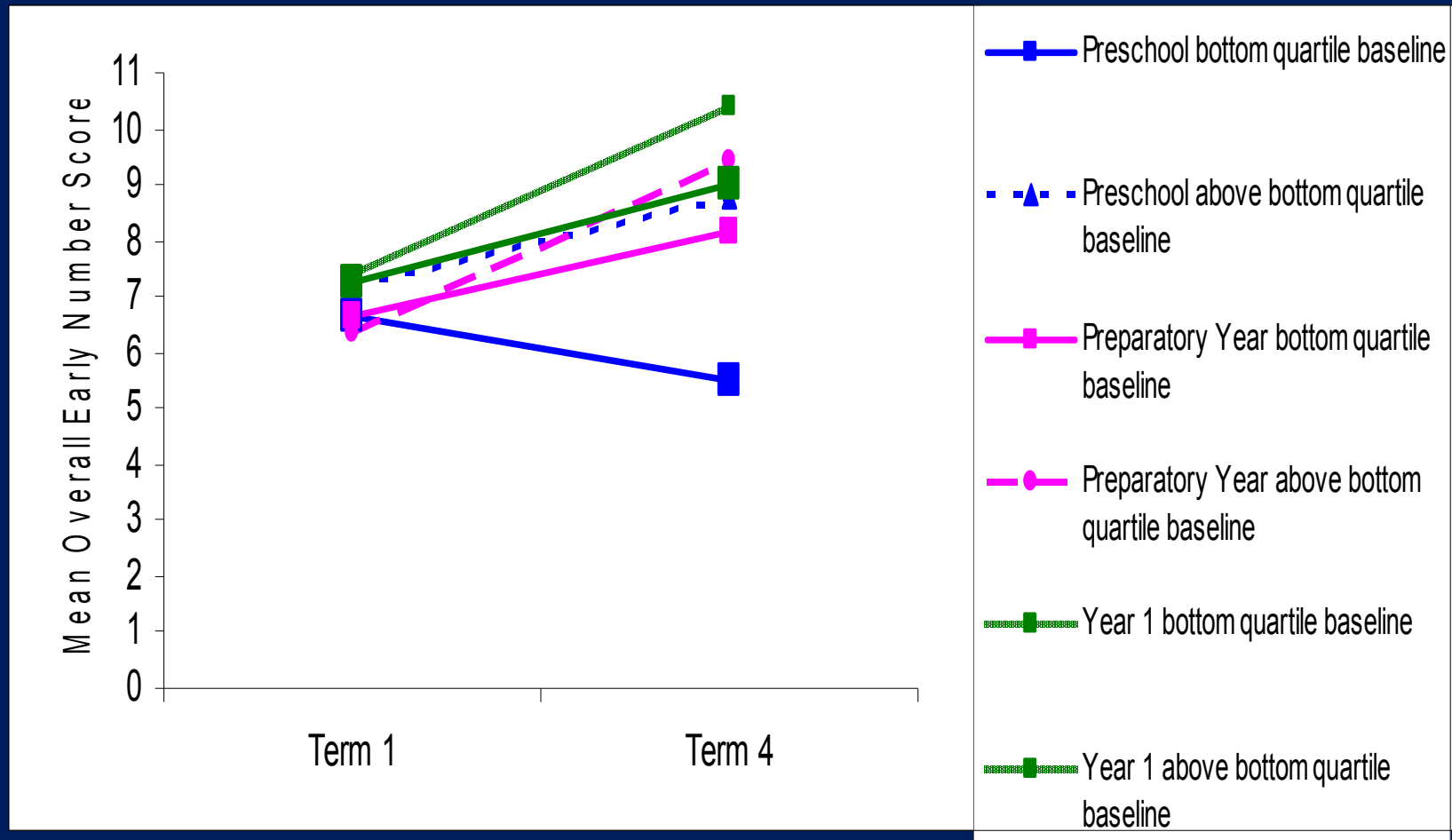


# Income and progress in numeracy

Mean Change Scores for Early Number Measure by Family Income and Program Enrolment

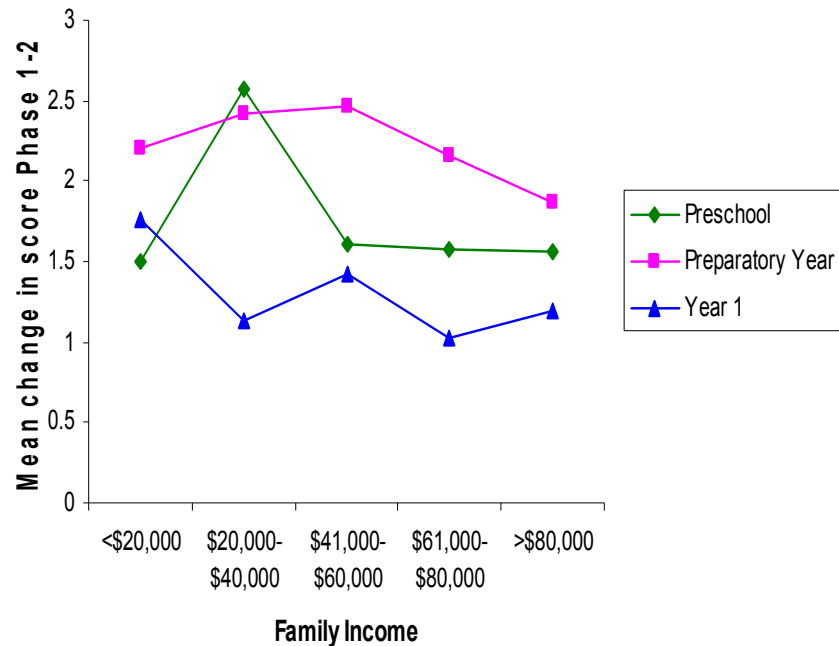


# Early numeracy for children in bottom quartile at term 1, 2003 by program

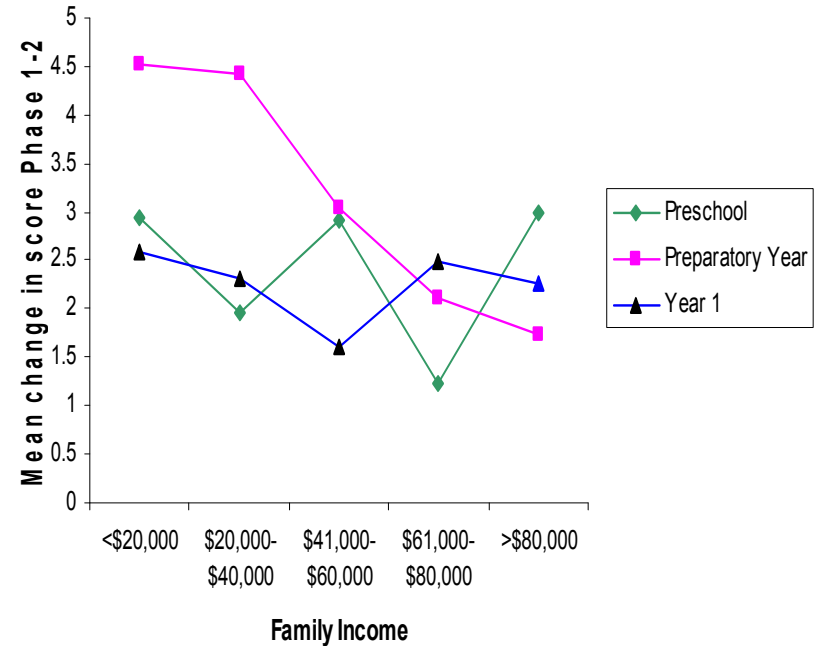


# Income and progress in language development

Mean Change Scores for Language Development Measure by Family Income and Program Enrolment



Mean Change Scores for Developing Communication Measure by Family Income and Program Enrolment



# Australia, ECEC and economy

## PLUSES:

- New 'citizen child' constructions
- Early learning frameworks
- Quality standards developments
- Attention to increased access

## ISSUES

- Targeting disadvantage
- Care and education continue to be viewed as separate despite "integration"
- Incremental upgrading of qualifications over time
- Parental leave and workplace flexibility
- Treasury plan to grow investment ?