

In confidence

Office of the Minister of Education

Chair, Cabinet Social Wellbeing Committee

The Early learning action plan 2019-29

Proposal

1. This paper seeks Cabinet's agreement to *He taonga te tamaiti – Every child a taonga: Early learning action plan 2019-2029* (action plan) and its release in 2019.

Executive Summary

2. High quality early learning services benefit children, families and whānau. They support parents as first teachers and they help children in their early years to enjoy a good life, learn and thrive.
3. This Government has embarked on a comprehensive programme of change across the education system so that it supports better lives for every New Zealander. It is my intention to move to a world-class early learning system with policy settings which are fit-for-purpose and deliver the best outcomes for tamariki and their families and whānau.
4. In November 2018, *He taonga te tamaiti - Every child a taonga: Draft strategic plan for early learning 2019-29* (draft strategic plan) was launched for public consultation. Substantial feedback was received which informs the action plan. The action plan draws upon what New Zealanders said about the draft strategic plan and what they shared during Kōrero Mātauranga and is focused on the change and transformation we want to see in early learning.
5. It is my intention that the action plan will give effect to Te Tiriti o Waitangi, by supporting Māori to succeed as Māori and enabling whānau, hapū and iwi to exercise appropriate levels of agency and authority within the education system.
6. It will also provide the foundation for an inclusive early learning system where all learners and their families can access settings where diversity of heritage, identity, language and culture is respected. This action plan will complement the actions in *the Learning Support Action Plan 2019-2025* (LSAP), which will strengthen the supports for children and young people who need additional support for their learning, including children in early learning services.
7. The action plan outlines five interdependent objectives and 25 actions intended to work together to raise quality, improve equity and enable choice of service type. The most significant actions relate to improving adult:child ratios, moving towards a fully qualified teacher workforce in teacher-led centres through incentives and regulation, improving the consistency and levels of teacher salaries and conditions and the development of a network management function for Government.
8. Our Government's vision for early learning cannot be achieved in isolation. The action plan is aligned with other system reviews, strategies and initiatives underway in the

education sector and across government, and also supports the Child and Youth Wellbeing Strategy.

9. The action plan would markedly increase the need for qualified teachers and I am aware that there is a need to stimulate teacher supply through a number of actions. Improving pay and conditions across the sector is likely to have a long term positive effect on teacher supply. Implementation of some of the actions, such as improvements to ratios and increasing the proportion of qualified teachers, will be subject to regulatory review and decisions in the annual Budget process.

Background

10. In February 2018, Cabinet agreed an ambitious Education Portfolio Work Programme covering early learning through to schooling, tertiary and beyond [SWC-18-Min-0004 refers]. We agreed that changing the education system so that it provides for all New Zealanders would be undertaken through broad engagement and shared ownership. This included the development of an early learning strategic plan, which would articulate the shared vision and roadmap for the future direction of the early learning sector.
11. Quality early learning plays a critical role in providing children with a strong foundation for future learning and positive outcomes. In recent years the number of children participating in early learning has increased, and children are participating at younger ages and for longer hours. This has resulted in the rapid expansion of early learning services, albeit with different levels of growth between service types, in a relatively unrestricted environment.
12. However, as I previously informed Cabinet, I am not convinced that current policy settings in the early learning sector are supporting quality education outcomes for every child who participates in early learning. Evidence from the Education Review Office (ERO) tells us that the quality of provision is variable, particularly in communities serving Māori and Pacific learners.
13. To this end, Cabinet agreed to establish a Ministerial Advisory Group (MAG) to advise me on the development of a new ten year strategic plan for early learning [CAB-18-MIN-0119 refers].
14. I asked the MAG to draw upon the previous draft strategic plan for early learning, *Ngā Huarahi Arataki – Pathways to the Future*, released in 2002. *Pathways to the Future* had a significant impact on the early learning sector, including increasing the number of qualified teachers in teacher-led, centre-based services and increasing participation rates in early learning, particularly for Māori and Pacific children.
15. I also asked them to be mindful of the significant changes that have occurred in the early learning sector and in New Zealand society since its release. There has been rapid expansion of early learning services, particularly education and care services which are providing longer hours.
16. To develop the draft strategic plan, the MAG worked with a broadly representative sector Reference Group and with support from the Ministry of Education. The Reference Group included members from the Ministry's early learning stakeholder group, the Early Childhood Advisory Committee, as well as early childhood education (ECE) sector academics.

17. The MAG also had access to the Education Conversation | Kōrero Mātauranga. Through Kōrero Mātauranga the Ministry has convened two education summits, and has received over 43,000 responses to the national education survey. Ministry officials also ran an early learning specific online survey which received almost 2,500 responses.
18. The draft strategic plan presented to me by the MAG recognised that every child is a precious taonga and that, within New Zealand's early learning system, children should expect to receive consistently high quality experiences in whichever setting is chosen by their parents, caregivers and whānau. The draft strategic plan outlined five interdependent goals which set policy intentions for the next ten years. Within these goals were 23 proposed actions intended to work together to raise quality, improve equity and enable choice of service type.
19. Cabinet approved the release of the draft strategic plan in November 2018 [SWC-18-MIN-0158]. I informed Cabinet that when I sought agreement to the final action plan, I would also report back on the outcome of public consultation and how it will inform my policy proposals.

Outcomes of consultation

20. The public consultation period for the draft strategic plan ran from 19 November 2018 to 15 March 2019. During the consultation period, 44 public hui were held across New Zealand, attended by more than 1,900 people. The Ministry received 2,264 online survey submissions and 219 written submissions during the consultation period. Data from the survey, these submissions and hui are summarised in a report from Martin Jenkins & Associates Limited attached as Appendix One.
21. Three parent focus groups were held in Auckland, Christchurch and Whangarei with participants selected to represent a mix of ethnicity, age, household income, and their child's service type. Feedback from parent focus groups is summarised in a report from Gravitas Research attached as Appendix Two.
22. Broadly speaking, there was a high level of agreement with most of the draft strategic plan's recommendations. The most highly ranked recommendation was improving adult:child ratios, followed by proposals to move towards 100% qualified teachers in teacher-led services. We also heard clearly that improving the consistency and levels of teachers' salaries and conditions was integral to attracting teachers and raising quality.
23. Feedback included many additional ideas and suggestions, including providing greater clarity about how Te Tiriti o Waitangi would be enacted in the plan and how the plan would improve education for Māori and Pacific children. There were also requests for greater emphasis on child health and wellbeing, including access to learning support. Participants also wanted to see the outcomes of the Review of Home-based Early Childhood Education included in the final plan.
24. As a consequence, the recommendations from the draft strategic plan have been refined, integrated and expanded and the plan includes some new actions. These include two new actions which arose out of Cabinet's decisions on the Review of Home-based Early Childhood Education [SWC-18-MIN-0020]. An action to support parents' navigation of early learning pathways and an action to provide support to the workforce to integrate te reo Māori into all early learning services have also been added to the action plan.

Te Kōhanga Reo National Trust

25. Policy changes arising from *Pathways to the Future* were at least partly responsible for Te Kōhanga Reo National Trust's (the Trust) Wai 2336 claim filed with the Waitangi Tribunal in 2011. At the time of the launch of the action plan, the Crown will be working with the Trust to co-design a sustainable funding model consistent with the findings of the Waitangi Tribunal with respect to The Kōhanga Reo Claim, Wai 2336.
26. The claim resolution process means that the placement of kōhanga reo within the action plan is uncertain. As part of these negotiations, we expect that the Trust will express their views about whether kōhanga reo are included in the action plan, and if so, how the Trust is positioned. The action that appeared in the draft strategic plan: *Co-design an appropriate funding model with Te Kōhanga Reo National Trust* [Goal 4, Rec 4.4]; has been removed from the action plan as this work is underway.

System Alignment

27. As agreed in the Labour-New Zealand First coalition agreement, we have developed a 30 year vision statement for education, which Cabinet has agreed to in principle. We have also updated our education work programme objectives to better align with what New Zealanders told us they want from the Education System through the Kōrero Mātauranga. The National Education Learning Priorities (NELP) provides an instrument to achieve practical change in educational settings. We are now consulting with New Zealanders on these changes [CAB-19-Min-0472].
28. The *Shaping a Stronger Education System with New Zealanders* Cabinet paper provides the strategic direction to steer actions across the education portfolio and system, so that there is a sustained collective focus on embedding changes that deliver better outcomes for all New Zealanders [CAB-19-Min-0472]. This direction has been shaped by the collective work across the Education Work Programme and New Zealanders' generosity in participating in Kōrero Mātauranga. This paper notes that achieving and sustaining change in our education system requires a collaborative approach that builds trust between government agencies, the education profession, families, whānau and communities.
29. *He taonga te tamaiti – Every child a taonga: Early learning action plan 2019-2029* (Appendix Three) has been guided by the strategic direction provided by the 30 year vision; the updated objectives for the Government's work programme for education, and the draft National Education Learning Priorities (NELP). The action plan is also aligned with other initiatives in the Education Work Programme, including the Learning Support Action Plan 2019-2025; Ka Hikitia and Tau Mai Te Reo; Action Plan for Pacific Education; the Education Workforce Strategy; and the Curriculum, Progress and Achievement programme.
30. To realise equitable opportunities for all young children the Ministry will also support policies and initiatives arising from the Child and Youth Wellbeing Strategy to deliver cross-agency responses to address health and social issues that impact on children's early learning.
31. The action plan is framed by five objectives, which align with the ten year objectives and which will work together to make the improvements I want to achieve in the early learning system.

- 31.1. Children and whānau experience environments which promote their wellbeing and support identity, language and culture.
- 31.2. All children are able to participate in early learning and have the support they need to learn and thrive.
- 31.3. Teaching staff and leaders are well-qualified, diverse, culturally competent and valued.
- 31.4. Children develop capabilities that are valued by their whānau and community and support them to be competent and confident learners.
- 31.5. Early learning services are part of a planned and coherent education ecosystem that is supported, accountable and sustainable.

32. The following diagram demonstrates how the reforms and actions across the wider education sector will shape a stronger education system for New Zealanders.

EDUCATION STRATEGY	30 Year vision for education				
	We are descendants of explorers, discoverers and innovators who used their knowledge to traverse distant horizons. Our learning will be inclusive, equitable and connected so we progress and achieve advances for our people and their future journeys and encounters.				
	Ten Year Objectives for Education				
	Learners with their whānau at the centre Learners with their whānau are at the centre of education.	Barrier-free access Great education opportunities and outcomes are within reach for every learner.	Quality teaching and leadership Quality teaching and leadership make the difference for learners and their whānau.	Future of learning and work Learning that is relevant to the lives of New Zealanders today and throughout their lives.	World class inclusive public education New Zealand education is trusted and sustainable.
	EARLY LEARNING		SCHOOLING	Post-school education and training	
	National Education & Learning Priorities (NELP)			Tertiary Education Strategy (TES)	

ENABLING REFORMS AND ACTIONS	Legislative reform		
	Early learning action plan	School reform action plan	Reform of Vocational Education implementation action plan
		Education growth plan	
	Learning support action plan		
	Ka Hikitia and Tau Mai Te Reo		
	Action Plan for Pacific Education		
	Curriculum, Progress and Achievement Programme		
		NCEA Review	
	Workforce Strategy		
	Careers Strategy Action Plan		

Vision for the Early Learning Action Plan

33. The starting point of the action plan is that every child is a precious taonga, born with inherent potential for growth and development and with enduring connections to their ancestors and heritage. The plan sets out the following vision for the early learning system:

New Zealand's early learning system enables every child to enjoy a good life, learn and thrive in high quality settings that support their identity, language and culture and are valued by parents and whānau.

Ko tā ngā whakaakoranga kōhungahunga he whakarite kia tipu ora ai ia tamaiti i ngā wāhi pai rawa e hāpai ana i tōna whakapapa, tōna reo me ngā tikanga, ā, he mea whaihua hoki aua wāhi ki ngā mātua me ngā whānau.

Objective 1. Children and whānau experience environments which promote their wellbeing and support identity, language and culture.

34. The importance of the first 1,000 days of a child's life, particularly for brain development, is well-established. Optimal development is conditional on positive early social and emotional experiences and consistency of care. The actions within this objective are intended to work together to ensure high quality early social and emotional experiences and reflect the cultural values and aspirations of parents and whānau.

Improve the ratios of adults to children under the age of 3 years in teacher-led centre-based early learning services (Action 1.1)

35. International research indicates that having qualified teachers, at higher ratios, improves the quality and frequency of teacher-child interactions. Adult:child ratios are the strongest and most consistent predictor of positive caregiving practices in group-based early childhood settings.
36. However, New Zealand's minimum adult:child ratios for children under 3 years old compare unfavourably with recommendations based on research and with regulated standards in similar OECD countries.
37. I propose a phased approach to the implementation of the following ratios over four years, starting with incentivising through funding in the medium term leading to regulation in the longer term. These are the ratios that were consulted on in the draft strategic plan:

Age	Under 2 years	2 years old
Current ratios	1:5	1:10
New ratios	1:4	1:5

38. These ratios reflect both research evidence and practices in similar OECD countries. For example, for under the age of 2 years international research recommends a ratio of 1:3 or a "good enough" ratio of 1:4. For 2 year-old children, international research

recommends 1:5. The proposed 1:5 ratio for 2 year olds matches required ratios in Australia, Finland, Canada, and the United Kingdom.

39. s 9(2)(f)(iv) s 9(2)(f)(iv) The phased approach set by the action plan would enable dependencies between regulation and teacher supply to be managed and staggers the fiscal impacts of implementation of this action.

Require teachers to be organised among groups of children in ways that support secure and consistent care, language learning pathways, and positive transitions for children and whānau (Action 1.2)

40. A guiding principle of the early learning curriculum *Te Whāriki* is 'ngā hononga' which places relationships at the core of children's learning. To embed this, the action plan sets out an action where government would require service providers to develop, with their communities, policies that support secure and consistent care and positive transitions to school or kura.

Develop advice about group size, centre design and wider environmental factors, and how to improve quality standards in these areas (Action 1.3)

41. High quality physical environments provide a context supportive of children's wellbeing, particularly for children with additional learning needs. To make sure that all children have access to such environments, from 2020 the Government will work with the sector and a range of experts and agencies to develop advice on centre design as it relates to group size and curriculum implementation. The Government will work with the sector if any regulatory changes result from the advice, including about operational and financial implications.

Support parents and whānau to navigate their choices of education and language pathways through better access to information (Action 1.4)

42. Feedback on the draft strategic plan found that parents need better access to information about the early learning provision in their area, including language immersion pathways, and what they can expect of services once their child is enrolled. From 2020 the Government will engage with parents, whānau and communities to identify information gaps and current early learning information that could be presented in more accessible and culturally responsive ways.
43. A focus of this action will be on ensuring all parents have the information and support they need to choose an early learning service for their child and to navigate the system. This will include making information available in accessible formats and different languages.

Objective 2. All children are able to participate in early learning and have the support they need to learn and thrive.

44. This action plan is underpinned by the notion of 'equity from the start' and recognises that high quality early learning experiences have the power to positively influence children's life trajectories. The actions within this objective will address some of the inequities children face that can impact on their learning and development.

Review equity and targeted funding to ensure that they best support children to benefit from access to high quality early learning experiences (Action 2.1)

45. From 2020 the Government will review equity and targeted funding to ensure that they best support children to benefit from access to high quality early learning experiences, and align with relevant actions in the Learning Support Action Plan.

Develop advice to facilitate wrap-around health and social services to support children and their whānau to engage in early learning, and ensure that it is clear who holds key responsibility for co-ordinating learning support in each early learning service (Action 2.2)

46. The Ministry is contributing to the outcomes of the Child and Youth Wellbeing Strategy to address health and social support gaps and access issues that impact on children's early learning. This will lead to increased cross-agency collaboration, resource and information sharing, creating clear referral pathways, and may lead to more co-locating of health and social services in early learning settings. This work will include recognising and coordinating early intervention collaborations and other existing arrangements that support participation in early learning.
47. Some early learning services are already facilitating wrap-around support from a range of other services. The Government will encourage sharing of good practice and look at ways to increase workforce knowledge and expertise in early identification and response to learning support needs. In addition, the Ministry will work with the sector to make sure that people are identified who have key responsibilities for co-ordinating learning support within each early learning service.

Objective 3. Teaching staff and leaders are well qualified, diverse, culturally competent and valued.

48. This Government is committed to working towards a 100% qualified teaching workforce in teacher-led, centre-based early learning services. A well-qualified early learning workforce is essential for the early learning system and central to this Government's ability to achieve its strategic objective of raising the quality of early learning.

Incentivise for 100 percent and regulate for 80 percent qualified teachers in teacher-led centres, leading to regulation for 100 percent (Action 3.1)

49. Teacher qualifications make an important contribution to quality practices by enabling higher quality interactions with children. This is recognised in the funding and regulatory settings for teacher-led, centre-based services. These services must have a minimum of 50% ECE-qualified teachers, and they are incentivised to have higher proportions. Currently 96% of these services are funded in the 80%+ qualified teacher funding band.

50. s 9(2)(f)(iv)

51. While some services are already meeting this threshold, I expect this will drive up the demand for qualified teachers. This will require a more proactive approach to stimulate teacher supply to avoid unintended consequences, such as qualified teachers being drawn away from services in low socio-economic areas that have limited ability to charge parents fees. I recently announced a short-term package of teacher supply initiatives for

the early learning sector. s 9(2)(f)(iv)

s 9(2)(f)(iv)

52. In the medium-term, regulations will be changed to require 80% of teaching staff in all teacher-led centre-based services to be qualified teachers and where children are grouped in separate spaces, at least one qualified teacher will be located with each group. s 9(2)(f)(iv)

s 9(2)(f)(iv)

53. I consider that other actions in the action plan, including improving the levels and consistency of teachers' salaries and conditions and better adult:child ratios, will mitigate the teacher supply risk. I recognise that all of these actions will have major fiscal implications and my proposed phasing of implementation will mitigate this. Overall, I want teaching in the early learning sector to be viewed as an attractive option for those already teaching and for others considering studying to teach.

Raise the levels of home-based educators' qualifications (Action 3.2)

54. As per Cabinet's decisions on the Review of Home-based Early Childhood Education [SWC-18-MIN-0020] the Government will incentivise and then require, all home-based educators to hold, or be in training towards, a Level 4 ECE qualification, or Te Ara Tuarua, or hold a higher ECE or kōhanga reo qualification. This will mean that eventually all home-based educators will need to hold these qualifications.

Develop an early learning teacher supply strategy that aligns with the wider education workforce strategy (Action 3.3)

55. The Government has recently launched a package of initiatives designed to help ease the ECE teacher supply pressures for next year. This includes a marketing campaign, including the targeted recruitment of overseas teachers, and increased flexibility of the funding rules and regulations relating to staffing. This will be supplemented by other initiatives focused on growing the supply of locally qualified early learning teachers.

Implement a mechanism that improves the levels and consistency of teachers' salaries and conditions across the early learning sector (Action 3.4)

56. Improving the attractiveness of the profession, through improving pay and conditions, is likely to be the most effective long-term strategy for sustainable teacher supply. Teacher pay and conditions are variable and frequently unattractive across the early learning sector. Many early learning teachers in New Zealand are not provided with non-contact time that allows them to plan for children's learning, engage with parents and whānau, and collaborate with colleagues.

57. I have asked the Ministry to develop a mechanism that promotes more consistency, noting the substantial gap between funding rates for kindergartens and other teacher-led services. Addressing this will require changes to the early learning funding system with significant fiscal implications. s 9(2)(f)(iv)

s 9(2)(f)(iv)

Improve Initial Teacher Education (ITE) to ensure that teachers are well-qualified to implement the curriculum in collaboration with other professionals (Action 3.5)

58. The Teaching Council of Aotearoa New Zealand (Teaching Council) has reviewed the provision of ITE and developed new requirements for ITE programmes, which represent a shift in its expectations. All ITE providers will need to meet these requirements by January 2022 in their programmes. These changes help to make sure that ITE graduates are ready to teach and well equipped to continue their progress to full certification. The Teaching Council will be evaluating these changes, and I will ask them to work with ERO and the Ministry to monitor shifts in the quality of the workforce as a consequence of these changes.

Develop a sustained and planned approach to professional learning and development (PLD) (Action 3.6)

59. Professional learning and development appropriate to the needs of early learning services is integral to maintaining and strengthening practice that contributes to children's learning and wellbeing. s 9(2)(f)(iv)

s 9(2)(f)(iv)

Develop innovation and research hubs for early learning services (Action 3.7)

60. The purpose of practitioner-led innovation and research hubs is to enable the sector to collaborate more effectively and be more active in research and innovation. I envisage that initiative would start small and build up over time. I will ask the Ministry to identify, assess and cost options for the development of these hubs in the medium term.

Support early learning services to participate as equitable partners in cross-service and cross-sector collaboration (Action 3.8)

61. Cross-sector collaboration through Communities of Learning | Kāhui Ako supports strong learning pathways for children. Over the life of the plan the Government will continue to support cross-sector collaboration and explore ways to build and enhance authentic engagement between early learning services, schools and kura, including through Communities of Learning | Kāhui Ako and through the Learning Support Delivery Model.

Support the workforce to integrate te reo Māori into all early learning services (Action 3.9)

62. Teaching staff need to be able to support Māori to succeed as Māori. I expect that Government-funded PLD will provide a platform to lift knowledge of te reo and tikanga within the sector. Implementation of the *Te Ahu o te Reo Māori - Fostering education in te Reo Māori* initiative will also support the Government's vision that te reo Māori will be a part of all ākonga and students' education by 2025.

Objective 4 Children develop capabilities that are valued by their whānau and community and support them to be competent and confident learners.

63. *Te Whāriki* holds the vision that all children are "competent and confident learners and communicators, healthy in mind, body and spirit, secure in their sense of belonging and in the knowledge that they make a valued contribution to society." However the quality of curriculum implementation is variable across the sector.

Gazette the curriculum framework, Te Whāriki, to support engagement with the principles, strands, goals and learning outcomes when designing local curricula (Action 4.1)

64. I intend to gazette the goals and learning outcomes of *Te Whāriki: He whāriki mātauranga mō ngā mokopuna o Aotearoa Early childhood curriculum*. This will clarify expectations that teaching staff, parents and whānau should engage with all four parts of the *Te Whāriki* framework when designing a local curriculum.

Co-construct a range of valid, reliable, culturally and linguistically appropriate tools to support formative assessment and teaching practice (Action 4.2)

65. High quality early learning requires teaching staff to have appropriate knowledge – including cultural knowledge – about positive trajectories of learning and development that reflect children’s holistic development. I will task the Ministry to co-design with the sector, tools that support formative assessment to help teachers and educators decide what practices and approaches to use to support children’s progress.

Support services to undertake robust internal evaluation that strengthens implementation of Te Whāriki and ensures ongoing improvement (Action 4.3)

66. A critical theme through the development of the draft strategic plan and consultation, has been how we ensure that all services are focused on continuous improvement, and that there is greater clarity about quality of provision.
67. ERO has recently released for consultation its indicators of quality for early childhood education to articulate greater clarity about quality of provision and to focus services on continuous improvement. Once these are finalised, ERO recommend that all services be required to develop and implement a Quality Improvement Plan linked to these indicators and that these plans and their progress are assessed as part of ERO’s quality evaluation cycle.
68. ERO will further develop tools to support early childhood services to build their capability to undertake internal evaluation for improvement; and resources to enable parents and whānau to recognise and demand quality provision for their children.

Objective 5. Early learning services are part of a planned and coherent education ecosystem that is supported, accountable and sustainable.

69. While the Government licenses and funds early learning services it does not actively engage in planning provision. As a result of leaving provision to the market, some communities are still underserved while some areas have experienced service growth beyond demand. Active management of the early learning network will help to ensure all children have access to quality early learning settings and prevent unintended consequences of oversupply.

Introduce a managed network approach to ensure high quality, diverse and sustainable early learning provision (Action 5.1)

70. I have already directed the Ministry to start work on developing network profiles to provide better information about population trends, current services and their quality.
71. I recently sought Cabinet’s agreement to change the Education Act 1989 to enable the Ministry to take into account when licensing new services:
- 71.1. whether there is a need for a new service within the existing network; and
- 71.2. the service provider’s history of providing quality early learning.

72. A bill with these changes is scheduled to be introduced in November 2019. Implementation of this approach will also require consequential changes to the Education (Early Childhood Services) Regulations 2008 and the associated licensing criteria. Implementation is likely to occur from 2021 onwards.

Identify options to address supply of early learning services in under-served communities (Action 5.2)

73. Better network management will allow government to make sure children in under-served communities have access to quality early learning services that support their identity, language and culture. In this context, setting up state-owned services, as proposed in the draft strategic plan, will be looked at as one of several options.

Set aside space for early learning services alongside school sites, where possible (Action 5.3)

74. The provision of early learning services on school land will enhance connections between children and their whānau in early learning and schools and kura. I will implement an arrangement that enables land on new and existing school sites to be used for early learning provision, where possible.

75. s 9(2)(f)(iv)

Strengthen governance and management support for Pacific language and other community early learning services (Action 5.4)

76. Operating an early learning service is complex, regardless of philosophy or operating model. The Government will explore options for new models of governance and management in the context of network planning. Specific attention will be given to supporting the sustainability of Pacific early learning services that reflect communities' language and cultural aspirations.

Introduce a consistent and rigorous programme of monitoring and licensing (Action 5.5)

77. The Ministry licenses and monitors, and ERO reviews and evaluates early learning services. I propose increasing the Ministry's monitoring role to include a programme of additional targeted visits, including unannounced visits. As the action plan is implemented, I expect both agencies will work to align their regulatory and monitoring activities for better efficiencies.
78. I intend to review regulatory settings to strengthen the Ministry's ability to take account of an early learning service's licensing history when deciding to grant a probationary licence. Serious concerns about a service through a provisional licence, a licence suspension or licence cancellation could trigger an automatic review of all of a service provider's other licences. I propose that regulations be amended to enable the Ministry to cancel the licence of any service that is repeatedly put on a provisional licence and this will be considered in the regulatory review.
79. The effect of the implementation of this action, in combination with other actions with a focus on lifting quality, may result in a reduction of the number of providers, at least in

the short term. However, it is my view that this is a necessary trade-off to lift the quality of early learning provision.

Improve transparency of funding for parents, teaching staff and government (Action 5.6)

80. Many parents, teachers and educators are not aware of how government funding contributes to the running costs of their service. To improve transparency I intend to revise the funding rules to require services to publish information about the amount of government subsidy children attract. To improve accountability service providers will also be required to report annually to government on income and expenditure by licence in specified categories

Co-design an appropriate funding model with Playcentre Aotearoa New Zealand (Action 5.7)

81. Playcentre is a uniquely New Zealand model of early learning service that views parents as the first and best educators of their children. The Government is currently co-designing a funding model with Playcentre Aotearoa New Zealand and considering qualification requirements to align with the organisation's preferred operating model.

Proposed timeframes for implementation and next steps

82. The action plan sets out an ambitious programme of work for the next ten years. It provides a staged approach to the work to enable effective implementation, including to phase the funding requirements and to enable the sector to respond to the additional workforce demands. It is my view that the proposed plan for implementation and targets strikes a good balance between driving the changes needed in the sector and the need to calibrate implementation. Implementing actions will also be contingent on future Budget processes.
83. This action plan supports the cross-government Child and Youth Wellbeing Strategy which will commit the Government to actions to improve the wellbeing of all children and young people, including government-wide approaches to realise 'equity from the start', and address health and social issues that impact on children's early learning.

Consultation

84. The Treasury, The Department of the Prime Minister and Cabinet, State Services Commission, Ministry of Social Development, Ministry of Health, Ministry of Business, Innovation and Employment, Oranga Tamariki – Ministry for Children, Office for Disability Issues, Department of Internal Affairs, Ministry for Women, Te Puni Kōkiri, Ministry for Pacific Peoples, Tertiary Education Commission, New Zealand Qualifications Authority, Worksafe, Te Arawhiti – Office for Māori Crown Relations, Teaching Council of Aotearoa New Zealand, and Education Review Office have been consulted on this paper.

Financial Implications

85. The estimated cost of the action plan across its full (ten year) life is likely to be up to \$5.5 billion. This assumes all actions progress according to the proposed timeframes. While the plan sets out sequencing of actions, ultimately, Budget funding will dictate whether this sequencing can be maintained, particularly for big ticket items. There are also a number of actions that can be funded from within Vote Education baselines.

86. I note there are three big ticket items. Firstly, the Government is committed to a 100% qualified workforce in teacher-led centres s 9(2)(f)(iv)
87. In terms of improving pay and conditions for teachers, the impact of the recent Kindergarten Teachers, Head Teachers and Senior Teachers Collective Agreement (KTCA) settlement increases the challenge of this action. The magnitude of the gap in funding rates between education and care services and kindergartens and the size of the education and care sector means this is likely to need a phased approach to manage the cost. Funding other teacher-led centres at the same level as kindergartens is estimated to cost over \$800 million over the forecast period.

88. s 9(2)(f)(iv)

Legislative Implications

89. Some actions in the action plan are likely to require changes to the Education Act 1989. A number of actions will require changes to the Education (Early Childhood Services) Regulations 2008.
90. Parts of the regulatory framework are being reviewed to ensure that it is clear and fit for purpose. The outcome of the review will provide options and recommendations for changes to the regulatory framework, from the Education Act through to formal guidance to services. s 9(2)(f)(iv)
91. Some of the changes needed to implement this action plan can be incorporated in this ongoing review, while others can occur later.

Regulatory Impact Analysis

92. A joint panel with representatives from the Regulatory Quality Team at the Treasury and the Ministry of Education has reviewed the interim Regulatory Impact Assessment (RIA) 'Early Learning Action Plan 2019-2029' produced by the Ministry of Education and dated October 2019. The regulatory proposals covered in the RIA relate to improvements in adult/child ratios, teacher qualification levels, and pay and conditions for teachers.
93. A RIA is not formally required at this stage because regulatory decisions are not being sought in this Cabinet paper and therefore the panel has not given a quality assurance rating. However, the Ministry has proactively provided an interim RIA with initial analysis of the regulatory proposals developed by the Ministerial Advisory Group. The Ministry intends to publish the interim RIA, attached as Appendix Four, alongside the Action Plan. To assist transparency, as work on the recommendations in the Action Plan progresses, there may be a need for regulatory change, which will be the subject of further RIA at that time.

94. The panel's view is that publishing initial analysis in the interim RIA will help to provide the reader with a broader and clearer understanding of the Ministerial Advisory Group's Action Plan. The interim RIA highlights the need to recognise the inter-dependencies and trade-offs between the proposals aimed at raising the quality of early childhood education by lifting teacher qualification levels, and increasing adult/child ratios. As both of these proposals would increase the demand for qualified teachers, phasing would be very important.
95. Further analysis of these proposals would need to look at the implications for the workforce and the sustainability of providers. This should include analysis of potential risks for access to early childhood education and affordability, especially in low socioeconomic and rural areas, if there was an inadequate supply of more highly qualified teachers.

Impact Analysis

96. There is a risk that some of the actions, such as ratio improvements, may result in increased fees for parents and whānau if government funding does not fully cover the increased costs of new regulatory standards. This would have a disproportionate effect on access to early learning for low income families. I intend to manage this risk through phased implementation, and taking into account the likely impacts on different families when costing and modelling increased funding rates

Human Rights

97. There are no human rights implications arising from this paper. The proposals within the action plan support Article 29 of the United Nations Convention on the Rights of the Child that education be directed to the development of the child's personality, talents, and mental and physical abilities to their fullest potential.
98. Some proposals in this plan target Pacific communities for additional support; these are considered to be positive discrimination measures in accordance with section 19(2) of the New Zealand Bill of Rights Act 1990.
99. The action plan will also support parents' rights to participate in paid employment regardless of age, gender, disability or ethnicity through funding of early learning provision and in particular the review of equity funding to make sure it is adequate and best supports children who need it.

Te Tiriti o Waitangi and partnership with Māori

100. This Government is committed to honouring the Crown's commitments arising from Te Tiriti o Waitangi. It recognises both the tino rangatiratanga of Māori and the kawanatanga of the Crown in the design and delivery of the education system, and acknowledges the vital interest of whānau, hapu and iwi in the system's effectiveness for Māori. Giving effect to Te Tiriti o Waitangi requires a system that enables access to high quality Māori-medium educational pathways.
101. The action plan reflects the Crown's obligation to protect and actively promote the use of te reo Māori in all settings, recognising iwi Māori as kaitiaki of this taonga. Government and the early learning sector will work together purposefully to grow the cultural capability of leaders, teachers and educators in early learning so that they are able to

build genuine partnerships with Māori to support the identity, language and culture of Māori children.

Gender Implications

102. The early learning workforce is predominantly female (approximately 97%). The action to implement a mechanism that improves the levels and consistency of teachers' salaries and conditions across the early learning sector would therefore positively affect women.
103. Early learning services play an important role in facilitating women's labour force participation. The action plan has a focus on raising quality, which may mean a reduction in poor quality services in the short term. This could negatively affect women's labour market participation in the short term, though would have longer term benefits for their children.

Disability Perspective

104. The action plan reflects New Zealand's commitment to the United Nations Convention on the Rights of Persons with Disabilities, especially article 24 (Education). It aligns with the New Zealand Disability Strategy 2016-2026 and contributes to delivery of the Disability Action Plan 2019-2023, which is currently under development.
105. Early learning services may be the first contact that parents of children with learning support needs have with the education system. It is critical that those parents and their children have a positive experience of the system, and are able to fully participate, from the start. The actions in the plan to support quality teaching, equitable access and wrap-around social services, as well the overall improvement to system quality, will contribute to an initial positive engagement.
106. The action plan will contribute to the Disability Action Plan 2019-2023, complemented by the LSAP which is, as noted, one of the key reviews in the Education Work Programme. The LSAP sets out actions that will strengthen support for children and young people who need additional support for their learning, including children in early learning services.

Publicity

107. I intend to publicly announce the release of the action plan before the end of 2019 and it will be accompanied by a press release.

Proactive Release

108. I intend to proactively release this Cabinet paper alongside the action plan. Any information that may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

Recommendations

109. The Minister of Education recommends that the Committee:
 - 1 **note** that on 12 November 2018, Cabinet approved consultation on the Draft Strategic Plan for Early Learning 2019-2029 (the draft strategic plan) [SWC-18-MIN-0158 refers];

- 2 **note** that data from the online survey, submissions received and hui run during the consultation period are summarised in a report from Martin, Jenkins & Associates Limited as attached in Appendix One;
- 3 **note** that the additional feedback from parent focus groups is summarised in a report from Gravitas Research as attached in Appendix Two;
- 4 **note** the action plan sets out the following vision for the early learning system: 'New Zealand's early learning system enables every child to enjoy a good life, learn and thrive in high quality settings that support their identity, language and culture and are valued by parents and whānau';
- 5 **note** that the action plan outlines five interdependent objectives and 25 actions intended to work together to raise quality, improve equity and enable choice of service type;
- 6 **note** that the action plan sets out a staged approach to implementation to allow time to phase the funding requirements, for legislative change and to enable the sector to respond to the additional workforce demands;
- 7 **note** that funding for any actions within the action plan will be sought in future Budget processes alongside other Government priorities starting with Budget 2020, where costs cannot be met from within baselines;
- 8 **approve** the release of the action plan attached as Appendix Three, which I intend to launch before the end of the year;
- 9 **agree** to delegate to the Minister of Education the power to make minor editorial changes and enhancements to the action plan prior to the launch;
- 10 **approve** the release of the consultation summary report from Martin, Jenkins & Associates and the parent focus group report by Gravitas at the same time as the action plan; and
- 11 **note** that I intend to proactively release this Cabinet paper and the Regulatory Impact Assessment (Appendix Four) alongside the action plan in line with the provisions of the Official Information Act 1982.

Authorised for lodgement

Hon Chris Hipkins

Minister of Education