

26 May 2016

AUDITOR-GENERAL'S REPORT

Early childhood education

Enrolments in quality early childhood education programs in New South Wales are increasing but are below the national benchmark, according to a report released today by the NSW Auditor-General, Margaret Crawford.

Ninety-five per cent of children should be enrolled in at least 600 hours in the year before school, but according to the latest NSW figures 77 per cent of children were enrolled in quality early childhood education programs. This 2015 figure is below the benchmark, but is a significant improvement on 2013 when 59 per cent were enrolled.

The Auditor-General recommends that the funding provided by the NSW Department of Education to early childhood services should be tied to children enrolling for at least 600 hours. Currently this does not occur in New South Wales but does in other States such as Victoria and Queensland where enrolments in early childhood education are higher. The Department should also direct more funding to disadvantaged children, particularly in long day care. This will lower some of the barriers that disadvantaged children experience and encourage more enrolments.

Between 2013 and 2015, the number of vulnerable and disadvantaged children and the number of Indigenous children enrolled in early childhood education programs has increased by 31 per cent and 47 per cent respectively.

The audit noted that:

- community preschool funding is more equitable and needs based than in the past
- funding for education in long day care is limited and not targeted to disadvantaged children
- the cost of government preschools is relatively high and they are not always located where most needed
- fees for families in New South Wales are higher and the NSW Government's contribution per-child lower than in most other States and Territories.

The audit also examined how efficiently the Department regulates early childhood education under the National Quality Framework. It found that:

- regulation is efficient in terms of elapsed time to complete key regulatory activities, but the Department does not collect the data needed to assess whether regulatory activities are performed at an efficient cost
- regulatory processes are good within the constraints of national arrangements.

Further Information

For further information, please refer to the report's [executive summary](#) or [full report](#) on the Audit Office website.

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