

An Equal Start In Early Childhood

Policy and Investment Proposals

Senator Katherine Zappone, Independent
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A Message From Senator Zappone

I have been an educator all of my life.

When I first started working with the people of Dublin South West in the mid 1980's, especially in the Tallaght and West Tallaght regions, we had a dream that if everyone had an equal chance for education, there would be no poverty.

That shared dream and the work done together to implement it is what stands behind this set of policy and investment proposals so that every child in Ireland will have an equal start in early childhood.

As Ireland's finances begin to recover, the test of how well we recover is dependent on how well we care for, educate and invest in our children. Doing this job well is the single most important requirement to reduce poverty and inequality in our society today.

These proposals are rooted also in the expert research and expert practice of Ireland's professionals as well as international professionals. As stated in a recent report:

"There is a large and growing body of evidence – in Ireland and internationally – around the human, social and economic benefits of investing in children's early years. There is also an imperative to invest in the early years because childhood is an important time of life in its own right."

Right from the Start: Report of the Expert Advisory Group on the Early Years Strategy

(2013:6)

Establishing and implementing a comprehensive and integrated early childhood development policy is a national policy priority for Ireland, reflecting an increased awareness of i) the importance of the early years in children's social, physical, emotional and cognitive development and ii) the importance of investing strategically in the early years to ensure an equal start for all of Ireland's children.

I look forward to engaging with parents and the providers of children's services on these proposals, and will bring this engagement to bear on my ongoing parliamentary work, particularly my recommendations for Budget 2016.

Katherine



Policy Messages

- It is imperative that the State create and deliver a comprehensive, integrated early childhood policy that seeks to ensure all children achieve optimal outcomes in health, wellbeing and learning. Central to this policy imperative is a commitment to:
 - improving educational outcomes for all Irish children and breaking the link between children's life chances and the financial circumstances of their families or community contexts into which they are born; and
 - removing all children from consistent poverty and eradicating deprivation.
- Such a policy would be underpinned by a respect for, and valuing of, all families. It would aim to:
 - achieve high quality, accessible and affordable early years services for all families;
 - increase support for parents with the specific intention of reconciling work and family life;
 - improve gender equality and women's meaningful access to the labour market; and
 - ensure early years provision meets the needs of all types of families.
- An integrated early childhood policy would also be directed towards sustainable and equitable economic recovery and create the foundation for smart growth through human capital investment, drawing on learning from other jurisdictions, most notably Finland.

Principal Policy Recommendations

This policy statement proposes a re-orientation of investment in early childhood that will:

1. **Extend the time period for parental care to 12 months to ensure that all children can be cared for at home during the first critical year of their life. This includes:**
 - introducing two weeks of Paternity Leave for fathers in employment.
 - introducing standard rate parental leave for 26 weeks per child;
 - a minimum rate of Maternity Benefit for unemployed mothers; and
 - paid Maternity Leave 26 weeks, linked to previous earnings.
2. **Establish Early Childhood Clinics to support child health; wellbeing and development; maternity and parenting services, and access to special therapies (modelled on Finnish Family Centres) within each Primary Care Centre.**

A one-stop-shop for early years' family supports, these clinics would be led by Public Health Nurses to provide integrated support for parents and children through the early years as envisioned by the Expert Advisory Group in their *Right from the Start* report (2013). Clinics would operate from a prevention and early intervention emphasis, reducing GP influence on *preventative* healthcare for this age cohort. Services would include:

- Child development and wellness monitoring
 - weekly health and wellbeing check-ups for each child in the first month of life;
 - monthly development monitoring from second month to 1st birthday;

- quarterly monitoring throughout years 2 and 3 and biannual check-ups throughout years 4 and 5.
- Access routes to early intervention services
 - EC Clinics to provide access routes to specialist services when a child needs early intervention services such as speech and language therapy;
 - critical access routes to early intervention services improved for ALL children (proposed by Expert Advisory group).
- Universal and targeted parenting supports (training and peer groups)
 - Parenting classes for 1st time parents in breastfeeding; healthy and safe weaning; healthy eating to prevent childhood obesity; peer groups and support services.

Implementation over the next 5 years would involve (2016-2021):

- A capital investment program to establish EC clinics within all the Primary Care Centres - approximately 65-70 across the country by 2021, each responding to the needs of 6,500 children.
- Recruitment and training of highly qualified staff to deliver high quality services, specialised in child health and development for the 420,000 children (0-6) and their families who will benefit from EC clinic services.

3. Reform of ECCE Scheme, extending every child's entitlement to early years' education while simultaneously improving the quality of ECCE services. Specifically:

- Extend the Child's early years education entitlement
 - from current 38 weeks to 48 weeks/annually (2016);
 - from 3 hours to 4 hours a day (9-13) including a warm meal (2016);
 - beginning from 3rd birthday until the child starts primary school (by 2018).
- Simultaneously improve ECCE service-quality by investing in the sector and its work force.
This will involve increasing ECCE capitation grants to include:
 - increasing investment to include staff payment for non-contact time (1 hour per 4 hours of contact) (2016);
 - holiday pay (52 week contract of which 48 weeks are committed to teaching) (2016); and
 - funding for Professional Development through financial support and flexible training solutions, including training at level 6, 7 and 8 for those currently working in the sector.
- Invest in the growing sector:
 - increasing capitation to more realistically meet the cost of providing services (2016);
 - introducing a Capital investment program to provide funding for Local Authorities, community partnerships and existing community providers to upgrade their services; and
 - start-up funding for services initiated by companies to provide services for employees and surrounding communities and social enterprises entering the sector.

INVESTING IN THIS PROPOSAL

My team and I have given very careful attention to costing this proposal in an appropriate and realistic fashion. Implementing the recommendations of this proposal would require the State to increase investment in Early Childhood by an estimated €200 million in 2016, €300 million in 2017 and a further €370 million in 2018. By then *early* returns on investment would be evident, particularly in terms of:

- better health outcomes for children and savings elsewhere in the health budget;
- higher labour market participation by women, higher growth and increased tax intake; and
- a foundation for smart growth through human capital investment and higher education attainment across the population.

This would result in a significant reduction in investment levels required in 2019 and 2020. Table 1 below presents a full summary of the projected levels of State investment required over the five-year period.

Table 1

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|----------|----------|----------|----------|----------|---------------|
| | €million | €million | €million | €million | €million | €million |
| Parental leaves | 20 | 277 | 12 | 52 | 28 | 28 |
| Establishment of EC Clinics | 3.5 | 3 | 1 | 0.3 | 0.3 | 0.3 |
| Operations of ECCs | | 4 | 12 | 8 | 8 | 8 |
| Reform ECCE | 181 | 20 | 344 | 5 | 5 | 5 |
| Additional Government spending | 204.5 | 304 | 369 | 65.3 | 41.3 | 41.3 |
| | | | | | | 1025.4 |

Most importantly, IRELAND CAN AFFORD this investment. GDP for 2015 is projected at €198.275 billion while the Irish Economy is expected to grow €50 billion by 2020. Growth forecasts, as outlined in Table 2 overleaf, suggest sustained economic growth over the next five years that would enable the investment levels projected above. This proposal makes sense. International evidence indicates that it is reasonable to anticipate 10:1 return on investment within 10-15 years.

A comprehensive **Investment Plan**, outlining a detailed breakdown of requisite investment levels in each individual recommendation is appended to this document as Appendix A.

Table 2

| Year | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|---------|---------|---------|---------|---------|
| Growth (%) | 3.8. | 3.2 | 3.2 | 3.0 | 3.0 |
| In 2015 prices (€ millions) | 208,900 | 217,775 | 227,325 | 236,900 | 246,775 |

Source: Department of Finance, Ireland's Stability Programme, April 2015
http://budget.gov.ie/Budgets/2015/Documents/SPU_for_Web.pdf

The cost of early years' education in Ireland is expensive - up to 40% of the average wage, compared to an OECD average of just 12%. This impacts on service accessibility. When compared to our European counterparts, total direct public investment in early years education (from 0-6 years) is less than 0.4% GDP, compared to 0.7% average across EU Member States. When funding for infant classes in primary schools is excluded, the real figure for pre-school investment in Ireland is even lower than 0.2%.

Impact on Service Providers

The present ECCE Scheme is underfunded and unsustainable for providers of Early Childhood Care and Education. Participating services currently receive a capitation fee of €62.50 per week per qualifying child attending their facilities. A higher capitation fee of €73 a week is available to services with more highly qualified staff. However, average earnings for qualified staff in the ECCE Scheme are merely €11.24 per hour.

Similarly, ECCE is currently available for each child for 3 hours a day (15 hours per week) for only 38 weeks per year. The 38 week duration contributes to creating unsustainable and seasonal ECCE jobs. These working conditions do not facilitate skilled and qualified professionals to stay in the sector.

Furthermore, investment in the professionalisation of staff working in the sector is minimal. Staff training funds are currently only available for qualification levels 5 and 6, compared to levels 7 and 8 for primary school personnel¹.

Impact on Service Quality

Service-quality across the ECCE sector is reportedly varied, ranging from very low to exceptionally high. The aforementioned pay conditions, employment terms and conditions, and qualification levels within the sector diminish the potential for quality service-delivery. Evidence also suggests low capacity within settings for assessment of - and response to - children's individual needs and requirements. These statements are endorsed in comparative international studies as outlined in Diagrams 1 and 2 below.

Health Status of Children (0-6 years)

The government is in process of extending universal free GP care for all children under 6, registration having already begun. Child health screening is principally provided through the Public Health Nurse Scheme which, besides general preventative healthcare and screening, provides access routes to a range of specialist services such as speech and language therapy. However, there is considerable variation in procedures, coverage and quality of Public Health Nurse services across the country.

Demand for early intervention services, such as speech and language therapy, is substantial throughout the country but, in some areas, waiting times to access these services exceed two years. Rates of breastfeeding in Ireland are low by international standards while almost 25% of 3-year olds are either overweight or obese.

¹ Level 7 is equivalent to a Bachelor's degree.

Child Poverty

Negative health statistics are compounded by statistics pertaining to Child Poverty in Ireland. CSO figures reveal that between 13 – 21 % of Ireland’s children are affected by food poverty while the rate of children living in consistent poverty has doubled over the periods of the last two governments from 4.2% in 2008 to 8.3% in 2013. Children experiencing deprivation has also doubled from 14.4% in 2008 to 30.5% in 2013. Over 60% of children in one parent families are living in poverty in 2015.

Analysis of State Policy Response

The current political approach to this foundation in the life of a child is inadequate. The absence of coherent policy objectives reduces the impact of what little investment is currently made available. Educational provision between ECCE settings and primary school is unconnected resulting in insufficient linkage around the child’s development, health and wellbeing, and learning. Current quick fix solutions, geared towards structural employment, do not promote an equal start for each citizen or enable every child to achieve her/his full potential. There also appears to be little political will for investing meaningfully in the early years. The comprehensive Early Years strategy, *‘Right from the Start,’* developed by Experts in 2013, is being ignored and the work has been taken over by an Inter-Departmental Group with an investment focus.

CONCLUSION

Establishing and implementing a comprehensive and integrated early childhood development policy is a national policy priority for Ireland, reflecting an increased awareness of i) the importance of the early years in children’s social, physical, emotional and cognitive development and ii) the importance of investing strategically in the early years to ensure an *equal start* for all of Ireland’s children. This policy statement sets out important pointers for more effective policy intervention on early childhood, with a view to Ireland becoming one of the best performing countries in nurturing the wellbeing and development of its youngest citizens.

We will use this document, and the response of providers and parents, to inform our analysis of the upcoming recommendations from the Department of Children’s Interdepartmental Working Group report (correct title) as well as budget 2016 recommendations. In this way, it is a living document, kept alive by our dialogue with citizens and residents of Ireland.

14th July 2015

I want to express appreciation for the opportunity to consult with Dr. Geraldine French and Irish research experts and practitioners, and Deputy Stephen Donnelly, in the early stages of the formulation of this policy document.

APPENDIX A

AN EQUAL START: ACTION & INVESTMENT PLAN

Recommendation 1: Extending time period for parental care to 12 months

Aim: To ensure that all children can be cared at home during the first critical year of their life.

Implementation plan:

| 2016 (1 st year) | 2017 (within 2 years) | 2018 (within 3 years) | Within 5 years (by 2019-2021) |
|--|---|---|--|
| <p>Introduce 2 weeks of paternity leave (€230 per week) for fathers in insurable employment</p> <p>Estimated cost of 20 million</p> | <p>Introduce 26 weeks of parental leave per child for €210 per week</p> <p>Estimated cost of 277 million¹</p> | <p>Introduce minimum rates for maternity leave for women outside of employment (€210 per week) for 26 weeks</p> <p>Estimated cost of 12 million per annum (this payment would not be paid in addition to other social welfare payments but become the main income support)</p> | <p>Link the maternity leave payment to 60 -70% of previous earnings on a sliding scale</p> <p>Estimated additional cost to maternity benefit annually:</p> <ul style="list-style-type: none"> ▪ 52 million, 2019 = 60% ▪ 28 million, 2020 = 65% ▪ 28 million, 2021 = 70% |

Recommendation 2: Establishment of Early Childhood Clinics

Aim: To support child health, wellbeing and development, maternity and parenting services, and access to special therapies within each Primary Care Centre (modelled on the Finnish Family centres).

Core Investments:

- Capital investment programme to establish EC clinics within all the Primary Care Centres (approximately 65-70 across the country) by 2021, each responding to the needs of 6,500 children.
- Recruitment and training of highly qualified staff, specialised in child health and development for 420,000 children (0-6) and their families to deliver high quality services.

¹ Approximately 70% of mothers qualify for maternity benefit. Savings elsewhere in the social welfare budget are calculated, based on the 30 % of mothers outside of insurable employment. Costing is based on average earnings of women.

| 2016 (1 st year) | 2017 (within 2 years) | 2018 (within 3 years) | Within 5 years (by 2019-2021) |
|---|--|---|---|
| <p>Capital investment to establish the clinics within existing primary care centres across the country:</p> <ul style="list-style-type: none"> 10 clinics @ €50,000 per centre Estimated cost €0.5 million <p>Recruitment and training of staff to deliver the services</p> <p>€3 million training fund</p> | <p>Capital investment in 20 new clinics in existing Primary care centres</p> <p>€1 million</p> <p>Recruitment and training of staff</p> <p>Add €2 million to the training fund</p> | <p>Capital investment in 20 new clinics in existing Primary care centres</p> <p>€1 million</p> | <p>Capital investment of €1 million to include EC clinics in all new primary² centres (at €50,000 per centre)</p> |

- Annual operation of the Early Childhood Clinics, providing child development and wellness monitoring, access routes to early intervention services, and parenting resources for parents.

| 2016 (1 st year) | 2017 (2 years) | 2018 (3 years) | Within 5 years (by 2019-2021) |
|-----------------------------|--|---|--|
| | <p>Pilot programs at the first 10 Clinics servicing 65,000 children and their families</p> <p>6 full time positions for each centre covering 6,500 children and families</p> <p>Annual operation cost per clinic €400,000</p> <p>Estimated cost of €4 million</p> | <p>Start operations in 20 additional clinics in addition to the first 10</p> <p>Estimated cost for operation €12 million</p> | <p>Roll out of the schemes across the country with approximately 65 centres servicing 420,000 children</p> <p>Estimated cost for full scale operation €26 million annually (to be rolled in over 2019-2021)</p> |

² There are currently 44 primary health centres funded directly by the State or leased from private investors and there are plans for an additional 15-25. All centres will include GP and community nursing teams and offer additional services.

Recommendation 3: Reform of ECCE Scheme

Aim: To extend every child's entitlement to early years' education while simultaneously improving the quality of services.

- Extending the Child's early years education entitlement to:
 - from current 38 weeks to 48 weeks/annually (2016);
 - from 3 hours to 4 hours a day (9-13) including a warm meal (2016);
 - beginning from 3rd birthday³ until the child starts primary school (by 2018).

- Simultaneously improve the quality by investing in the work force:
 - increase the capitation rate to more realistically meet the cost of providing quality services (2016-2018)
 - increase the capitation grants of ECCE to include
 - Non-contact time (1 hour/4 hours) (2016)
 - Holiday pay (52 week contract/ 48 week's teaching) (2016)

- Funding for Professional Development through financial support and flexible training solutions for training at level 6, 7 and 8 for those currently working in the sector.

- Invest in the growing sector:
 - to allow the sector to grow in order to meet the needs of the increased ECCE provision, introduce a Capital investment program to provide funding for LAs, community partnerships and existing community providers to upgrade their services and start-up funding for services initiated by companies to provide services for employees and surrounding communities and social enterprises entering the sector (see table on following page).

³ Introduce 4 entry times (January, April, July, October) to make sure children will receive the full entitlement regardless what time of the year they are born.

| 2016 (1 st year) | 2017 (2 years) | 2018 (3 years) | Within 5 years (by 2019-2021) |
|--|--|--|---|
| <p>Extend the child's ECCE entitlement to 4 hours per day including a warm meal⁴ for all Dept. of Social Protection customers</p> <p>ECCE staff would be employed 20 hours per week for 52 weeks (4 hours contact + 1 non-contact hour)</p> <p>Raise the capitation rate to €90 and the higher to €110⁵</p> <p>Estimated additional cost of €158 million⁶</p> <p>Set up a Professional Development fund for €10 million for those currently working in the sector to upgrade qualifications</p> | <p>Capital investment to provide funding for LAs, community partnerships and existing community providers to upgrade their services and start-up funding for services initiated by companies to provide services for employees and surrounding communities and social enterprises entering the sector</p> <p>Additional cost of €15 million</p> | <p>Extend the ECCE entitlement for every 3 year old from 3rd birthday to school start</p> <p>Additional cost of €344 million</p> | <p>Expected rise in percentage of ECCE providers to qualify for the higher capitation rate</p> <p>Expected additional cost of €5 million per annum</p> |

⁴ **Warm meals** would cost an additional €33million annually (470 per child/year). However €10 a week fee would be gathered in respect of each child from parents not in receipt of social welfare payments (i.e. €10/week for 48 weeks).

⁵ as recommended by Start Strong

⁶ Current ECCE costs €175 million per annum. The rates that are paid are €62.50/week (for 67 % of the providers) and higher capitation grant for services with more qualified staff. Approximately 33 % of the services qualify for the higher capitation rate. According to the capitation grant, the spending on each individual child is currently €2375 or €2774. The hourly rates are respectively: €4.16 and €4.86. Adding 1 more contact hour per week + 1 non-contact hour per week + extending the provision to 48 weeks (52 weeks contract) and increasing the capitation grant to €67.50 and the higher rate to €82.50 would cost an additional €158 million on 2016. Going forward it would be expected that the percentage of services qualifying for the higher capitation grant would increase reaching 75% by 2021.