

# Guide to the new early childhood education funding system<sup>[1]</sup>

Implementing pathways to the future: Nga huarahi arataki

**Author:** New Zealand Ministry of Education

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## AVAILABILITY

Full guide in pdf<sup>[2]</sup>

Information pamphlet<sup>[2]</sup>

Excerpts from the website and guide:

The following provides information on the changes to early childhood education funding that were announced in Budget 2004 as results of the review of early childhood education funding.

The Ministry of Education has reviewed the Early Childhood Education funding subsidy (bulk funding) and funding for licence-exempt services. This guide explains the key features of the new system and how it will work. It will be complemented by the detailed funding handbook to be released in late 2004. The key features of the new early childhood education (ECE) funding system are:

- An additional \$307 million over the next four years will be available for the new early childhood education funding system.
- The new system will be effective from 1 April 2005. The first funding payment will be made on 1 July 2005.
- The rate for each funded child-hour of ECE will not be lower than it is now.
- Funding will increase to reflect cost increases due to the ECE Strategic Plan. This means higher funding rates for those services that meet quality standards, for example by employing registered teachers.
- Funding will be linked to the 'cost-drivers' of ECE services, which means that government can increase funding in future to reflect increases in costs.
- From 1 July 2007, three and four-year-old children who attend teacher-led community-based ECE services will be able to receive 20 hours free ECE each week.
- Accountability and reporting requirements will be stronger.
- The system will have different impacts for different people and services.
- Special education funding for children in the early years has also been increased. There will be an additional \$14 million more funding over the next four years to support children with special education needs in the early years.

**Related link:** Ministry of Education, Early Childhood Education website<sup>[3]</sup>

**Region:** Australia and New Zealand<sup>[4]</sup>

**Tags:** subsidy<sup>[5]</sup>

affordability<sup>[6]</sup>

funding<sup>[7]</sup>

special needs<sup>[8]</sup>

accessibility<sup>[9]</sup>

privatization<sup>[10]</sup>

availability<sup>[11]</sup>

**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/research-policy-practice/04/07/guide-new-early-childhood-education-funding-system>

## Links

[1] <https://childcarecanada.org/documents/research-policy-practice/04/07/guide-new-early-childhood-education-funding-system> [2] <http://www.education.govt.nz> [3] <http://www.minedu.govt.nz/index.cfm?layout=index&amp%3BindexID=1095&amp%3Bindexparentid=1000> [4] <https://childcarecanada.org/category/region/australia-and-new-zealand> [5] <https://childcarecanada.org/category/tags/subsidy> [6] <https://childcarecanada.org/category/tags/affordability> [7] <https://childcarecanada.org/category/tags/funding> [8] <https://childcarecanada.org/category/tags/special-needs> [9] <https://childcarecanada.org/category/tags/accessibility> [10] <https://childcarecanada.org/category/tags/privatization> [11] <https://childcarecanada.org/category/tags/availability>