

## Turning The Tide on Private Profit-Focused Provision In Early Childhood Education

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*The article analyses a market-based approach to early childhood education (ECE) provision and the growth of for-profit ECE provision, evidence about 'quality' and accessibility, and problems occurring when a need for private profit conflicts with the best interests of families and children. The issue of for-profit provision is set within the context of international developments and solutions in Europe, UK, US and Canada. Immediate steps that might be taken for a democratic system of community-based and public early childhood education in Aotearoa New Zealand are pinpointed. Overall, the article offers possibilities for asserting democratic values as a way towards alternatives in Aotearoa New Zealand's early childhood education provision.*

**Keywords:** early childhood education, democracy, privatisation, policy

### Introduction

Early childhood education is undervalued and highly contested, yet understandings of children's learning and development tell us how important it is. In Aotearoa New Zealand, like many countries worldwide, ideas conveyed by governments and international organisations about the purposes of early childhood education have become dangerously narrow. Early childhood education is increasingly portrayed as childcare while parents work, rescuing vulnerable children from disadvantage, and promoting future economic benefits for the country. In these conceptualisations, children and families do not feature in their own right. In parallel, a market approach to ECE provision in many countries has led to the uncurbed growth of for-profit provision of early childhood centres and home-based services. At an extreme, for-profit centres are publicly listed companies located in the economic sphere, with a legislated duty to operate in the interests of shareholders. These cannot operate as democratic and participatory organisations. This article refers back to Dewey's (1915) famous statement "Democracy has to be born anew every generation and education is its midwife" (p. 15), to suggest that democracy is as a value in education, as a relational ethic, with its focus on the "common good", and has much to offer as a framing for "turning the tide" on a market approach that has enabled for-profit provision to flourish. "Turning the tide away from a privatised, profit-focused education system," as identified by Minister of Education Chris Hipkins (2018b, p. 4) in the Terms of Reference to New Zealand's *Strategic Plan for Early Learning*, is a key educational policy issue in Aotearoa New Zealand.

## **A market approach and the growth of for-profit ECE provision**

A dominant discourse heard in New Zealand and other countries that shares a mix of private and community owned or public early childhood education provision is the “story of markets,” which Moss (2014) describes as “a story about commodification, competition and (individual) choice” (p. 5). In its purest form, the argument for markets is that competition between early childhood providers will be cost efficient, provide high quality, and meet the needs of families because families will “vote with their feet” if their needs are not met. Low quality and unresponsive services will need to change or become no longer viable. In this scenario, parental choice is upheld as a dominant value: the market will provide. New right economic theories became dominant in New Zealand in the 1980s during the Labour government’s term of office (1984-1989), and continued in the 1990s under a National government (1989-1998) in what has come to be known as “the New Zealand experiment” (Kelsey, 1997). These theories were a powerful influence on the ways in which ECE is provided in New Zealand.

The government has no direct role in the planning and provision of ECE services (with the exception of the Correspondence School, which includes ECE). New services can be established and receive child-based government funding without having to show that they would meet community needs or be sustainable. Community-based and private (for-profit) services each play a role in provision. The distinctions between community-based and private ECE services lie in their organisational structure and in the distribution of profits. A community-based service is an incorporated society, a charitable, statutory, or community trust, or owned by a community organisation (e.g., a city council, church or university). Community-based services are prohibited from making financial gains that are distributed to their members. A private service is owned by a private company, publicly listed company, private trust, partnership, or an individual. Private services are able to make financial gains and distribute these to their members (Ministry of Education, 2019a). Under the Companies Act, the first duty of businesses operating as publicly listed companies is not to children, families or community, but to act in the best interests of the company and shareholders. These publicly listed companies do not need to include families and community in their decision-making bodies – they do not operate as democratic and participatory organisations.

Another distinction between community-based and private services is in their financial reporting to the Ministry of Education. While both service types are required to provide a statement of accounting policies and details of funding received from the Ministry of Education and how it is spent, community-based services are also required to provide a statement of their financial position (balance sheet) and of movements in equity. Private owners can keep silent about profit and loss and about the funding they receive from fees charged to parents; they are not accountable to their community or the Ministry of Education in the ways that community-based services are accountable.

Private ECE services exist in the teacher-led sector of education and care and home-based services. By definition, kindergartens and parent/whānau-led centres, including playcentres, kōhanga reo, playgroups, and Pasifika groups, are all community based. Until the advent of neoliberal policies, community-based education and care and home-based services very much outnumbered private services. But by 1992, 41 percent of education and care centres were privately owned. Over the last three decades, the percentage has steadily shifted in balance. Private education and care centres were 54 percent of the total in 2002 and 69 percent of the total in 2018. Private home-based services showed an even more

marked trajectory of growth, from 37 percent of the total in 2002 to 92 percent of the total in 2018 (Ministry of Education, 2018).

The shift in ownership patterns in this sector came during a period when government funding to ECE markedly increased. After the transfer of childcare from administration by the Department of Social Welfare to the Department of Education in 1986, large increases in government funding were made available to the education and care and home-based sectors following the 1989 *Before Five* policy (Lange, 1988). Increases in the percentage of for-profit provision of these services started to occur around this time. The additional funding for 20 hours free ECE in 2007 brought another funding boost available to for-profit and community-based services alike. Nevertheless, under the Labour government of the 2000s, two pools of targeted government funding were available only to community-based services, i.e., discretionary grants for capital works and equity funding for services meeting criteria related to one or more of four components: low socioeconomic, special needs and non-English speaking background, language and culture other than English, and isolation. That distinction was dropped by a later National-led government and all government funding streams are now available to the private sector on the same basis as to the community-based sector (Ministry of Education, 2019b). This includes equity funding and Targeted Assistance for Participation or TAP grants) for capital works (discretionary grants were stopped and replaced by TAP grants) for new buildings, for modifications to existing buildings, and for resources like vans for transportation, which then became the property of the business owner. Private companies can now build on school grounds, getting advantages of low leases on state owned land.

Community-based services – playcentres, kindergartens, kōhanga reo, Pasifika centres, community education and care centres – do not have access to the same opportunities for raising capital as business companies, and cannot compete and expand in the same way as these companies. Indeed, just recently, the business column of the New Zealand Herald pointed to the advantage that large corporate providers have over smaller providers:

Church (a real estate agent) says larger operators have a significant financial advantage over smaller developers, especially in inner-city and metropolitan areas, where prices are soaring and land is scarce. "The landscape will likely become increasingly competitive as major players drive consolidation within the sector."

Institutional investors such as Best Start Educare and Evolve Education Group are acquiring privately owned businesses to increase their market share, and the financial firepower at their disposal could make it increasingly difficult for smaller operators and investors to compete. (Business Herald, 4 February, 2017)

King, in his evaluation of the sustainability of ECE services during the implementation of *Pathways to the Future – Ngā Huarahi Arataki* (the first strategic plan for early childhood education) commented on a similar trend back in 2008:

Anecdotally, an increasing number of stand-alone ECSs (both private and community-based) are being sold to corporate owners. Although corporate operators have been in the market for a number of years, stakeholders have spoken of recent trends toward the aggressive acquisition of ECE services by two corporate entities, while instances of individual owners buying services have markedly reduced. (King, 2008, p. 41)

The ability of any provider to set up an early childhood service and receive government funding (provided they meet regulatory requirements) has led to an inequitable patchwork of provision, with oversupply and undersupply in different areas, and provision of some services that are not well matched to the needs and preferences of families and communities. These issues have been well documented over many years (Department of Labour and National Advisory Council on the Employment of Women, 1999; Early Childhood Education Project, 1996; Mitchell & Brooking, 2007; Mitchell, Meagher-Lundberg, Mara, Cubey, & Whitford, 2011; Robertson, 2007). Private centres are more likely to be in high-income areas where fees can be charged, a finding that has been replicated in the Netherlands (Noially, Visser, & Grout, 2007) and Canada (Cleveland & Krashinsky, 2004). Internationally, the 2006 OECD study of 20 countries noted that a reliance on privatised provision of early childhood education will almost certainly lead to inequities in provision in poorer communities because commercial providers are reluctant to invest in such communities.

### **Turning the tide from a privatised, profit-focused education system**

It is in this context that the current government set its Terms of Reference for the development of a 10-year strategic plan for early learning. Under an objective of “Quality, inclusive, public education” it stated:

The Government is committed to investing in and backing our world-class, public education system for all students. This involves turning the tide away from a privatised, profit-focused education system.

In the context of early learning, this includes working to ensure that community-based early childhood education services have well-maintained facilities and are able to expand to meet growing demand. (Hipkins, 2018b, p. 4)

In a report to Cabinet in March 2018, Hipkins (2018a) noted that:

An important part of the strategic plan will be creating a shared vision for what early learning should achieve for children and exploring what settings best support these outcomes. This includes the nature of the early childhood education market, along with the network which underpins it and the role of government in managing provision. (Clause 54, p. 10)

Over time, successive governments have had only a limited role in planning and funding ECE provision. Currently, some needs assessments are done by the Ministry of Education in order to identify communities for TAP grants which were set up “to help establish new services and child spaces in those communities where new child places are needed most and are not being created quickly enough” (Mitchell, Meagher-Lundberg, Arndt, & Kara, 2016, p. 69). But this is the first time in policy development for early childhood education in Aotearoa New Zealand that the government has explicitly given an intention to focus on the education market and role of government at a national level and across service types. It opens the door for rigorous and research-based analysis of the problems with a market approach and for-profit provision and a move towards public responsibility. The intention of writing this article is to contribute to such an analysis, and point to new directions.

It is also to serve as a critique of the language of the market and a response to points in the article by McLachlan, Cherrington, Aspden, and McLaughlin (2018) who argue:

Another potentially contentious point is the singling out of private, for-profit services and the need to move away from this type of provision. As the terms of reference state, "The Government is committed to investing in and backing our world class, public education system for all students. This involves turning the tide away from a privatised, profit-focused education system." While this focus may be in response to that uneven growth of services under this ownership model over the past decade and the need for better public investment in community-based education that meets the needs of families, we believe it is important that these points are not confounded with notions of quality service provision and that ownership model alone is not sufficient for addressing issues of raising quality. Nonetheless, voices within the sector often position the large for-profit chains as the potential source of quality concerns (cf. May & Mitchell, 2009); however, this position may be more ideological than evidence-based. (p. 119)

### **A question of quality**

Evidence of lower quality on average in large corporate for-profit chains is found in countries where the state, private for-profit and private not-for-profit providers all play a role in provision. Lloyd and Penn's (2012) edited book includes examples from Canada, the Netherlands, Aotearoa New Zealand, Namibia, US, and Australia.

Quality can be gauged in different ways. Structural features of quality (especially qualified teaching staff, low child:adult ratios, and small group size) have been found to be associated with good "process quality", which in turn links to outcomes for children (NICHD Early Child Care Network, 2002). These findings have been replicated in many studies. Dalli, White, Rockell, and Duhn (2011, p. 3), in their literature review of quality early childhood education for under-two-year-olds, highlighted the importance of responsive care by adults who "understand the impact of their actions on children's development and are trained to make that impact a positive one." Regulable features of quality, especially adult:child ratios of ideally 1:3, group sizes of no more than 6-8, and calm quiet environments were found to be important in maintaining a low-stress environment for under two-year-olds. In an earlier literature review of outcomes of early childhood education, Mitchell, Wylie, and Carr (2008) reported "Qualified teachers are likely to draw on their knowledge and experience of children and pedagogy to offer the kinds of cognitively challenging adult-child interactions that are linked with gains for children" (p. 8).

In Aotearoa New Zealand, concerns about profit-making detracting from quality have been evident for many years. May (2009), writing about the transfer of childcare to education in the 1980s, noted that the Private Childcare Federation "that saw their centres as profit-making businesses" (p. 148) was one of only two organisations that opposed the transfer. She pointed out that the review of childcare regulations that was recommending improved staffing ratios, space and qualifications was a "backdrop to their disquiet" (p. 148) because costs of these might erode their profits. In the 1990s, empirical research by Smith, Ford, Hubbard, and White (1996) of 100 childcare centres found privately owned centres paid lower wages and provided poorer conditions than community owned centres. Research during the first decade of the 21<sup>st</sup> century has also shown quality differentials between privately owned and community owned ECE services favouring the community sector. More recent research in Aotearoa New Zealand has not been undertaken, except for a 2015 national ERO review (Education Review Office, 2015), which is discussed below. An analysis of Ministry of Education staffing returns (Mitchell, 2002) found that community owned centres and

community institutions employed a significantly higher percentage of staff with a teaching qualification and a significantly lower percentage of staff holding no ECE qualification than private centres. Differences between the three types of centre were statistically significant ( $p < .001$ ). However, the regulation made in 2007 that 50 percent of staff in teacher-led services must hold a recognised ECE teaching qualification will have since prevented providers from employing large percentages of unqualified staff. The differences found in 2002 may no longer hold.

Two NZCER national surveys of early childhood services in Aoteroa New Zealand carried out in 2003-2004 and 2007 respectively, found that compared with community-based services, private services held less frequent staff meetings, were more likely to have only the statutory minimum annual leave entitlements, and had higher staff turnover rates. Staff were more likely to regard workload as excessive and less likely to regard themselves as part of the decision-making team in relation to teaching and learning and policy (Mitchell, 2008; Mitchell & Brooking, 2007). These employment conditions can support or hinder staff as enquiring practitioners who make thoughtful professional decisions about curriculum and pedagogy, and who participate in decision-making about policy on an equitable basis with management.

The evaluation of *Pathways to the Future – Ngā Huarahi Arataki* (Mitchell et al., 2011), which studied the same 36 early childhood services at three time points in time over five years (2004, 2006 and 2009), found persistent low quality (measured through a rating scale with trained observers) at each time period in three teacher-led education and care centres. Distinguishing features of these were: low teacher qualification levels; employment conditions that were unsupportive of teaching and learning; and few professional development opportunities. Of note is that all these centres were owned by the same publicly listed corporate company.

McLachlan et al. (2018) note that while ERO reports in New Zealand do not generally distinguish between quality differences by ownership model, “an exception is the 2015 ERO report on infant and toddler provision” (p. 119). They extrapolated data from this report to show “data reported on privately owned and community owned services are nearly equivalent in relation to the proportion of services rated across the quality categories” (p. 119). The ERO data on ownership model is not reported by service type. A more nuanced picture would have been achieved through a comparison of ratings for community based and for-profit services first, in education and care centres, and secondly, in home-based services. These are the two types where for-profit models are found alongside community based, and such an analysis would have compared service type with the same service type against ownership variables. Moreover, ERO is not a research institution. Paull (2012) has argued that “there are caveats on how well publicly provided information can reveal quality, including how well periodic inspections can identify quality and the difficulty of deriving measures suitable to all views about what constitutes quality” (p. 240). She highlights the importance of quality rating information being provided by independent reliable sources.

International studies undertaken in the 2000s offer widespread evidence of the lower quality of for-profit ECE services in relation to community-based services. In the US, the large NICHD study of Early Child Care found higher quality on structural features of quality (child-staff ratios and educator qualification levels), higher levels of professionalism and more positive educator-child interactions in non-profit centres. Educators in non-profit centres received higher pay and had lower rates of staff turnover (Sosinsky, Lord, & Zigler, 2007).

Doherty, Lero, Goelman, LaGrange, and Tougas (2000), in their Canada-wide survey of 848 childcare centres, 848 childcare directors and 4,154 childcare staff, found differences

between private and non-profit centres in staff training and qualifications, wage rates, expenditure patterns, and centre resources. Compared with for-profit centres, more staff in non-profit centres had in-depth training and qualifications for work in early childhood education, and staff were paid more. Non-profit centres spent a higher proportion of their budget on staff. More recent studies have explored factors that are associated with marked quality differentials between non-profit and for-profit centres. Cleveland and Krashinsky (2009) found that non-profit centres had a particularly higher quality advantage in thick markets (high demand for places) compared with thin markets (little demand for places).

The rise and fall of the “giant in the playground” (chapter title), as Australian academics Press and Woodrow (2009) termed ABC Learning, is a spectacular example of what can go badly wrong with corporate provision operating in a market environment. ABC Learning was a large Australian corporate company, listed on the Australian Stock Exchange. It rapidly expanded its ownership of childcare centres not only within Australia but to New Zealand, UK, China, Hong Kong, the Philippines and Indonesia to become the largest corporate childcare provider in the world (Sumsion, 2012), owning over 2300 centres. It swamped provision of ECE services in many local communities in Australia, owning over 20 percent of Australia’s long-day care centres. It expanded into becoming a toy supplier and an owner of “Too Cute Photos”, and established a staff training college. ABC brought to New Zealand standardised policies developed in Australia and an online curriculum with a programme plan for a day or a week that teachers could draw on irrespective of context (Brennan, 2008). Type in “Te Whāriki”, and teachers could find a programme, developed in Australia that they could put into place in their own centre. Standardised playground equipment (much of it “plastic fantastic” – plastic climbing frames, plastic grass, etc) had to be purchased from ABC’s toy and equipment supplier. Anecdotally, centres purchased by ABC in New Zealand had to sell off their current resources and equipment and buy ABC equipment in replacement. As Sumsion (2012) wrote, “ABC Learning seemed unstoppable” (p. 210). But in February 2008, ABC Learning announced its profits for the first half of the financial year had slumped by 40 percent in comparison with the previous year. There followed a massive drop in its share price of over 65 percent, and it was suspended from trading. It went into voluntary receivership in November 2008, forcing the Australian government to spend AUD56m to keep centres open while a new buyer was found. ABC shareholders and the banks that owned the parent company also lost millions of dollars (Scherer, 2009). This is not only a cautionary story about financial loss and economic considerations but it puts into sharp focus the dangers of a market-based ECE policy approach.

Might a similar story play out in Aotearoa New Zealand? The childcare company Evolve Education established in 2014 purchased a string of early childhood centres and home-based services here in Aotearoa New Zealand and listed them on the sharemarket. The chairwoman, Norah Barlow, also chair of a retirement business, was reported in the *Business Herald* saying she “reckons early childhood education has the potential to become just as big a sharemarket success as the aged-care sector” (*Business Herald*, 27 November, 2014). Immediately on these acquisitions, teachers reported informally to the writer that Evolve was making cut-backs in the number of staff employed, and their conditions of employment. In May 2019, Evolve Education reported enrolments were dropping – families were leaving their centres, there was high staff turnover – and it was repaying a debt of \$30m (McBeth, 2019). At the same time it announced expansion by acquiring 12 early childhood centres in Australia. There are parallels to In Aotearoa New Zealand the ABC saga – is this another crash in the making?

## A question of ethics

McLachlan et al. (2018) argue that quality concerns about large for-profit chains “may be more ideological than evidence-based” (p. 119). Certainly concerns about large for-profit chains are ethical concerns, not only about “quality” but more than that. Who should provide educational provision and the purpose of early childhood education are highly relevant issues that matter greatly in democratic societies. While marketisation may seem to be democratic in allowing individuals the right to choose, individual choice is very much constrained by what is available, whether it is appropriate and whether it is accessible, as discussed above. This form of democracy is what Apple (2005, p. 11) calls “thin”, individualist, and consumer-driven. It bypasses questions about the common good. In contrast, “thick” collective forms of democracy are concerned with equality, participation and collectivity at all levels of education: national, community and local. In Dewey’s thinking (1916, 1944), education operates as a democratic community and creates conditions for formulating and addressing shared concerns.

In 2009, a group of nine community-based ECE organisations came together to undertake the task of making proposals to “strengthen community-based provision” in Aotearoa New Zealand. The principles of community-based provision that they identified align with principles of democracy – an emphasis is placed on collectivity, partnership and participation as hallmarks of decision-making; and the idea is of educational institutions as community assets, with full funding from government resources going into educating the child and supporting their family (May & Mitchell, 2009). Community-based or public early childhood services offer conditions and structures to enable people to have influence on the shape of education provision in their community. In this arrangement, education is a responsibility shared between the community, state and the family. In contrast, as Dahlberg, Moss, and Pence (1999, pp. 74-75) have observed, for-profit services “are situated in the economic sphere; they cannot also be forums within civil society.”

When the direction of the centre is determined by owners, and making a profit becomes a dominant purpose, the need for financial returns for business owners and shareholders minimises or overrides educational purposes that are centrally important. At an extreme, this can lead to a skewed commitment by participants to business values rather than educational values. Kamenarac (2019), in her recent University of Waikato doctoral thesis, analysed how teachers from for-profit corporate education and care centres were pressured to align with profit motives of business owners. She found:

By creating an impression of agency, professional regard and sense of belonging, the business-owners were likely to secure an absolute loyalty of ECE teachers to their business empire. With the sense of being professionally recognised and valued in the company; while historically being the ‘less’ valued and regarded, these ECE teachers seem to choose to commit first to the principles and priorities set by their ‘business owners’, and then to the ECEC profession and professional bodies. (p. 272)

Parents have raised concerns about the high levels of fees charged by for-profit business companies. In the evaluation of *Pathways to the Future – Ngā Hurahi Arataki*, parents were asked about the worst aspects of their child’s ECE service. Some parents in the three private education and care centres that were rated low quality wrote about the fees charged:



[Corporate company] owns it now. [Corporate company] is a money-making business who don't look after the children and teachers. A barcode to scan your child in and out says it all. (Centre A)

The fee they charge over and above the so-called 20 hours free government scheme. My child goes for 12 hours per week and [I] get charged \$34. (Centre C) (Mitchell et al., 2011, p. 75)

Similarly, in an evaluation of the ECE Participation programme, despite government subsidies, the cost of ECE was found to be the greatest barrier to accessing ECE that was identified by families with 3 and 4-year-olds. Although the intent of the 20 hours ECE policy is to reduce cost barriers, some providers require families who want to access these hours to enrol full time or for longer hours, and they charge high fees for the additional hours. A profit motive is quite apparent and was articulated by regional Ministry of Education staff who explained in relation to private providers:

The way service providers administer ECE is a barrier. They have to load up fees for hours outside the 20-hours. There's inflexibility about responsiveness to the needs of families. You can come here but you have to access this, this and this. They are quite driven by money.

Some larger services have a minimum of two days enrolment but parents cannot afford it. These inflexible enrolment policies are a barrier. Some families have enrolled and got into debt. They will never go back. These were exclusively private centres. (Mitchell et al., 2013, p. 45)

Capacity to make profits from early childhood education in New Zealand is well established and advertised. Simply google "childcare profits" and information about returns for investment in the "business of childcare" abound. Under the heading "Booming childcare sector draws investors", the Business section of the national newspaper, the New Zealand Herald, published this: "Early childhood education is big business in New Zealand and right now it's a seller's market as developers and investors seek to capitalise on the surge in demand for places at childcare centres." It went on to state that high child participation rates, secure and reliable government funding and population growth "presents an opportunity for smart property investors" (Business Herald, 4 February, 2017).

### **Possibilities for "turning the tide"**

The emphasis in the government's terms of reference on "turning the tide away from a privatised, profit-focused education system" (Hipkins, 2018b, p. 4) offers an opportunity to radically revise neoliberal policy frameworks and implement a framework based on democratic ideals. The draft strategic plan offered for consultation is timid in this regard but also offers opportunity for proposing ways forward. In this final section, ideas for ways forward are elaborated.

A central argument is for conceptualisations of early childhood education as sites for democratic citizenship and social justice; for social criticism and critical thinking as approaches to pedagogy; and, taking from the principles and strands of the national curriculum *Te Whāriki*, for mana – empowerment, agency and possibilities, as all-encompassing values. A vision for ECE framed in terms of nationally agreed values could offer a basis. As argued in a discussion paper (May & Mitchell, 2018) to the Reference Group for the development of the strategic plan:

A new ECE service would take different forms in response to local contexts and the needs of children and families. Its value base would be constructed through discussion and consultation and include a commitment to Te Tiriti o Waitangi and the principles and strands of Te Whariki. It would have competent financial systems and democratic governance structures that enable full participation in decision-making by its ECE community. It would empower, support and provide conditions for participants to develop as a critically reflective community (p. 3).

While the draft Strategic Plan for Early Learning refers to planned provision in Goal 4: “Planning ensures that provision is valued, sufficient and diverse”, in order to “turn the tide” the final plan needs to offer an explicit vision as suggested in May and Mitchell’s (2018) discussion paper. It needs to go further in outlining specific strategies for strengthening the community and public sector, and for addressing the loopholes that enable for-profit providers to make gains from government and parental fee funding for individuals and shareholders.

In other countries and states, ECE provision is mapped and needs are forecasted as a basis for planning. Aotearoa New Zealand can learn from these. In Canada, Cleveland, Krashinsky, Colley, and Avery-Nunez (2016) carried out a study for the city of Toronto to predict demand and affordability for licensed child care as a basis for planning provision over a 10-year period. Their report provides good evidence for the provincial government of Toronto to decide where new ECE services are needed and to provide these in the short and long term. In the UK, planning for integrated ECEC Sure Start Children’s Centres in every community over a period of time has involved UK communities in determining what is best for them as part of multi-agency working.

In order to “turn the tide”, planning needs to ensure the establishment of a coherent patchwork of community-based and public ECE provision that is locally accessible and appropriate for all families. Capital works funding should be available to these services.

If ECE services are conceived as a public good and responsibility, access and entitlement to ECE as a child and family right needs to be ensured. In Aotearoa New Zealand there is no entitlement to a place. In some European countries, an entitlement to a place is guaranteed, e.g., in Sweden all children 1-12 years have a legislated right to pre-school education, and most pre-school provision is provided directly by municipalities in day care centres (OECD, 2006). As in some OECD countries, the entitlement to a place could start from the date that parental leave ends (with an extension of parental leave in Aotearoa New Zealand from 12 to 18 months at least). As Bennett (2006) wrote: “To link the end of parental leave to an entitled place in a publicly supported early childhood service seems to be a critical element in parental leave policy that adds considerably to the wellbeing of families and infants” (p. 144).

A mechanism to ensure government funding and parental fees are used for educational purposes through capping parental fees and enabling scrutiny of full financial statements by government and the ECE service community would deter providers wanting to make individual gains from ECE. This is common practice in European countries:

In a supply led ECEC system, what regulations might be appropriate? In those countries where there are a range of providers, there is most often a regulatory cap on fees, related to household income. No parent pays more than about 15–20% of household income (Immervoll & Barber, 2005). The combination of substantial block funding, or supply side funding, given directly to providers, plus a cap on parent fees, guarantees that provision will be affordable to parents, even if it is technically described as ‘private’ provision. (Penn, 2013, p. 454)

Teacher pay and conditions need to be addressed to ensure pay parity across the education sector for qualified and registered ECE teachers and working conditions that enable opportunities for teachers to engage in reflection, experimentation, and documentation (Mitchell & Cubey, 2003). Since staffing is the main cost of ECE service provision, and a goal is for equitable pay and employment conditions, mechanisms need to ensure funding for salaries is used for these purposes. A national Collective Employment Agreement that is binding on employers receiving government funding, would enable this.

## Conclusion

The Strategic Plan for Early Learning offers an opportunity for the government to develop a vision for early childhood education that has a value base generated through consultation and founded on democratic principles, Te Tiriti o Waitangi and the principles and strands of *Te Whāriki*. For-profit ECE services are dominant in Aotearoa New Zealand and are swamping the education and care and home-based sectors. Their growth has been encouraged under a market approach to provision, generous government subsidies, and few constraints on how funding can be spent. Regulated requirements for staff pay and conditions of service, a cap on parental fees, and full financial accountability to the government and parental bodies would go a long way in deterring for-profit entrepreneurs and “turning the tide” (Hipkins, 2018b, p. 4) away from private profit-focused provision. Planning provision within communities, from the basis of a shared vision based on democratic ideals, and attention to “competent systems” (Urban, Vandenberg, Van Laere, Lazzari, & Peeters, 2012, p. 515) would be productive of a new way of thinking and an inspiration for positive change. It would enable early childhood centres to be conceptualised as public and community organisations playing an important role in fostering a democratic society.

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