



Office of Hon Anne Tolley

MP for East Coast

Minister of Education

Minister Responsible for the Education Review Office

20 May 2010

Jane Couch
President
New Zealand Homebased Early Childhood Education Association
hfdc@xtra.co.nz

Dear Jane Couch

Early childhood education services have a key role to play in ensuring our children get the best possible start in life. Thank you for your hard work.

Budget 2010 confirms Government's commitment to early childhood education by increasing spending on ECE to \$1.3 billion in 2010/11, up \$107 million from the previous year.

However, we need to do better with the large amount of funding that goes towards ECE.

As part of this we are focusing on increasing participation for those children who are currently missing out. So in this tight fiscal environment we have balanced the need to control future unsustainable growth in costs with our priority to increase opportunities for all children to participate in high quality ECE.

From 1 July 2010, Government will deliver on its commitment to extend *20 Hours ECE* to all playcentres, *kōhanga reo* and five year olds enrolled in ECE services.

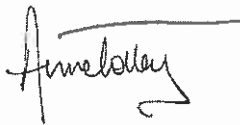
Budget 2010 initiatives

- \$91.8 million has been reprioritised to support initiatives targeted to help increase participation in ECE particularly for Māori and Pasifika children and children from lower socio-economic communities.
- An additional \$46 million operational cost adjustment over the next four years to ECE funding rates will help providers meet increasing costs.
- The six hour daily limit for *20 Hours ECE* will remain for the time being, as we focus on increasing participation for our target groups.
- We are aligning spending with our 80% teacher registration target to control costs. This will contribute to savings of nearly \$280 million for other priorities. We will focus teacher supply initiatives on services with less than 80% registered teachers providing further savings of \$42.7 million over four years.
- Funding of \$34.9 million over four years has been set aside to recognise primary teachers, and more overseas teachers, for funding purposes in ECE services.

I believe these initiatives will enhance the quality early childhood education we have here in New Zealand, while increasing access for those children who benefit the most from ECE but are least likely to be involved.

Further information about Budget 2010 changes can be found on the Ministry of Education's website www.minedu.govt.nz. The Ministry is also taking ECE enquiries on its helpline 0800 323 323.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anne Tolley', with a horizontal line extending from the top of the signature.

Hon Anne Tolley
Minister of Education