

Principles and approaches to funding ECE services

Linda Mitchell, Retired Professor and Honorary Fellow, University of Waikato

Aisling Gallagher, Senior Lecturer in Geography, School of People, Environment and Planning Massey University Manawātū

This paper on early childhood education (ECE) funding discusses and appraises research-based evidence on principles and approaches to funding ECE services that have been used internationally and in Aotearoa New Zealand. It is intended to contribute to policy debate at a time when ECE funding systems are under scrutiny. The paper is premised on 1) an understanding that ECE is a public good and a public responsibility, that requires public funding and is democratically accountable to the public; 2) the best interests of the child to access high quality ECE appropriate to their family and whānau are central to the design of ECE funding systems; 3) a value base committed to Te Tiriti o Waitangi and the principles and strands of Te Whāriki.

Dahlberg, et al. (1999, p. 73) proposed an expanded view of early childhood institutions conceptualising them as “public forums situated in civil society in which children and adults participate together in projects of social, cultural, political and economic significance”. Early childhood institutions as a public resource and community asset offer advantages for the public good that go beyond those offered by for-profit institutions. They are centred on the best interests of the child and so the “full funding from public resources goes into educating the child and supporting their family” (May & Mitchell, 2009, p. 2), and they incorporate further projects of public value. They are democratically accountable to community through governance and decision-making structures and in these ways open opportunities for participation of teachers/kaiako, whānau and community that can enrich responsiveness to community and solidarity amongst members. There are many examples in Aotearoa New Zealand where community-based ECE services have expanded their projects to integrate with wider opportunities and services for families and whānau, such as Whānau Manaaki Kindergartens who employ a community navigator to work with refugee and migrant families, translating information and brokering support from external agencies where it is wanted. These and other efforts extend into holistic support for families outside of the day-to-day operation of the kindergartens (Mitchell, 2022). We agree with Dahlberg et al. (1999, p. 75) who argued that early childhood institutions that operate purely as businesses “are situated in the economic sphere; they cannot also be forums in civil society”.

The paper was written in an environment where many significant ECE policy advances are being reversed or rescinded. Fundamental neoliberal ideas are once again being foregrounded: the promotion of competition between services; the primacy of parental choice and a tandem withdrawal of governmental responsibility for quality and provision; the encouragement of private business; deregulation, justified as being overly restrictive on the market; the removal of special status and rights of Māori as tangata whenua and Te Tiriti o Waitangi. Aotearoa New Zealand’s 2023 Budget had included an expansion of the ‘20 Hours ECE’ policy to 2-year-olds (in addition to children aged 3 and above) from 1 March 2024. Following the general election of 14 October 2023, the new coalition government chose to introduce the FamilyBoost tax rebate instead, a policy that shifts the focus away from universal rights of the child to ECE to one that can benefit only selected families in paid employment. Badly needed planned provision of services was sidelined in favour of a free-market approach that research shows continues to fail families. Subsequent Review of ECE Regulations (Ministry for Regulations, 2024) framed ECE not as a public good, but in terms of free market provision, positioning ECE as an industry that relies on private and corporate ownership alongside individual parental choice. Requirements for qualified teaching staff and teachers’ pay rates have been reduced, undermining quality and pay parity for the sector. The 0.5% cost adjustment for early childhood education funding in the government’s May 2025 budget is significantly less than the past year’s level of inflation (2.5%) and therefore comprises a reduction in funding. Proposals in the Education and Training (ECE Reform) Bill steer us away from an ECE system that puts the best interests of all children

to receive a strong foundation for learning, achieve positive well-being and life outcomes as first and foremost, to a more short-sighted system where the focus is on “minimum standards” to provide for “quality” with the primary aim to support labour market participation. There is urgency to research and propose alternatives.

This paper sets issues of ECE funding and public provision in context by discussing the changing shape of community-based and for-profit ECE provision in Aotearoa New Zealand and the main issues that have arisen both here and internationally. We then discuss principles for a funding system by comparing supply-side and demand-side funding and appraising the impact of these funding mechanisms on the common objectives of affordability, provision and quality. The crucial question of accountability for receipt and use of government funding is considered, including what comparable jurisdictions are doing to improve ECE affordability and accessibility. We then describe work that was done during the 2000s on developing a formula for ECE funding and end with recent examples from Ireland, Canada and Sweden that offer ideas on how complex issues might be addressed through funding approaches. These countries have worked or are working to reconceptualise and support ECE as a public good, moving away from market-based approaches.

Issues in Aotearoa New Zealand’s ECE system

Since the 1980s, Aotearoa New Zealand has adopted a market-based approach to ECE delivery, with government reliance on a mixture of community-based and for-profit services in lieu of a publicly provided system. While there has been a strong ethos of community, not-for-profit provision in Aotearoa, ECE has not been politically upheld as a public good and many of the problems which are impacting the sector currently stem from this lack of political commitment. The composition of the sector has changed markedly over the last twenty years with a growth in for-profit providers during this time and a stagnation, and in some case a reduction, in community-based provision. Recent data shows that in the past 22 years, the percentage of private education and care centres and homebased services has increased markedly compared with community-based services. In 2024, 65% and 90% respectively were privately owned, up from 54% and 36% respectively in 2002 (Ministry of Education, 2024c). Private ECE services now provide 69% of the total 214,062 licensed places in the whole of the ECE sector (teacher-led and parent/whānau-led) (Ministry of Education, 2024d).

Moreover, there has been a rationalisation of services under the umbrella of larger commercial and corporate entities. In the last five years both Evolve Education and Provincial Education have been purchased by overseas equity investment companies. Busy Bees bought 75 ECE centres (more than 5,500 places) from Provincial Education in 2021. Busy Bees is majority owned by Canada’s Ontario Teachers’ Pension Plan and “grew from 230 nurseries in the UK to 910 across 10 countries, including Singapore, Australia and Canada” (Ontario Teachers Pension Plan, 2022). Busy Bees is now the third largest provider of education and care centres in Aotearoa New Zealand. A significant amount of money (from government funding and parent fees) is needed for debt repayment. Moss and Mitchell (2024, pp. 48–51) discuss the rapid expansion of Busy Bees across the rich world, the money owed to its parent company and banks (£790 million in December 2022), and its “mounting backlog of interest payments” (Moss & Mitchell, 2024, p. 50). The United Workers Union (United Workers Union, 2022) recently exposed financial practices of for-profit providers in Australia, that included Busy Bees, as paying exorbitant salaries to owners and executives and avoiding tax by paying the parent company offshore and registering a debt. While data show that no provider type has a monopoly on either excellence or poor quality (Ministry of Education, 2015); nevertheless, large differences between provider types at the aggregate level are well established in international research (Akgunduz & Plantenga, 2014; Cloney et al., 2012; Thorpe et al., 2021).

Privatisation raises a number of challenges for achieving the goals of equitable, affordable, and accessible ECE in Aotearoa New Zealand. While there are some economies of scale afforded by rationalisation, there have been concerns raised here and internationally about the lack of political oversight of larger business

entities in the delivery of ECE. In the context of growing revenue streams from both government and rising parental fees, ECE services and their properties have become lucrative investment opportunities, bringing into focus more than ever the competing objectives between quality ECE and financial gain. Childcare real estate businesses in Aotearoa New Zealand currently promise high returns to investors, citing the scale and stability of government subsidies as incentive to invest (Erskine & Owens, 2022; Gallagher, 2020). A UK report on the activities of services owned by equity investors in ECE (Simon et al., 2022) found that they supply fewest places in socio-economically deprived areas, were less likely to meet the diversity of parental care needs and that overall the business models that underpin these services risk the sustainability of the sector going forward. This critical work argues that the financial imperatives that drive the delivery of for-profit ECE at scale may ultimately undermine the social and educational outcomes we aspire to for children, families and government investment.

It is well established in the literature that ECE systems which are driven by competition between providers rather than a centrally planned system, result in a highly uneven distribution of services (Paull, 2012). In the absence of a network management approach, whereby data on ECE needs is centrally gathered, there is a tendency for either a geographic oversupply or undersupply of services to manifest. In Aotearoa New Zealand an unequal patchwork of ECE provision that favours higher income communities and inequitable participation has been a longstanding issue (May & Mitchell, 2009; Mitchell & Meagher-Lundberg, 2017). More recently the Ministry of Education has noted a mismatch in ECE availability across Aotearoa, with long waiting lists especially for children under-two and in rural areas which are less well served by provider choice (Ministry of Education, 2023). Media reporting regularly highlights the barriers this inequity in ECE supply poses for families across the country.

Accessibility issues are not experienced equally across population groups, however. Ministry of Education statistics (Ministry of Education, 2025) show that in 2024, 93% of children from low socioeconomic areas, 93% of Pacific children, and 95% of Māori children attended ECE in the six months prior to starting school compared with 96.8% of children overall. Research produced for the Ministry of Social Development (Meissel et al., 2019) used data from the Growing Up in New Zealand study to analyse mothers' decisions about whether to engage with ECE services before, and during, the first two years of their children's lives. The authors found differences between mothers' antenatal intentions and their actual later choices. Mothers' family situation, self-identified ethnicity, socio-economic position and employment were linked to differences in the use of different types of ECE over time. Of note for consideration of policy around planning provision was the finding that the likelihood of people using Māori and Pasifika immersion and bilingual centre-based services was markedly higher in areas with the highest area-level deprivation. This likelihood was not related to maternal ethnicity. The authors also highlighted the value of "improving access to more flexible ECE arrangements, especially for families with fewer resources and wider family support, as well as those who work irregular hours or shifts" (pp. 47-48). The study did not evaluate the effect of cost, quality or convenience. Research from social and economic consultancy Motu (Sin, 2021) highlights that it is disproportionately Māori and Pasifika families who do not access ECE because of cost and availability. Similarly, Mitchell and Meagher-Lundberg (2017) found cost, availability and cultural relevance of ECE services were the main barriers to participation of 'priority' families. High and rising parental fees have made ECE prohibitive for many, noting that Aotearoa has been identified as having one of the highest net costs of childcare for working families within the OECD (2018). Successive government investment in the sector intended to offset the cost of ECE has been absorbed by providers through increased parental fees. This has occurred expeditiously in ECE markets which are predominantly owned by for-profit providers. Indicative of this trend, a 2019 report on ECE expenditure commissioned by the UK government found that for-profit providers have on average higher mean hourly fees, are more likely to use additional charges, and have a higher mean income-to-cost ratio than other provider types (Paull, 2019).

Furthermore, recent media has exposed endemic problems for staff in the ECE sector, highlighting the high turnover rates of teachers and kaiako as a reflection of worsening employment conditions (Andres et al., 2022). Staff turnover rates are indicative of a wider crisis as they create instability for employers, parents and children in services, and significantly undermine notions of quality in ECE (Dalli, 2017). High staff-

child ratios, unsustainable workloads and low remuneration were cited in sector surveys as key elements underpinning the crisis (NZEI Te Riu Roa, 2023; 2025).

It is against this backdrop of the privatisation of ECE, rising costs for parents, and worsening conditions for teachers and children, that we consider it timely to propose principles and approaches to envision an alternative funding model for the sector.

Funding Principles

Supply-side versus demand-side funding

While ECE is conveyed as a policy priority amongst many developed countries, there are different ideas about appropriate mechanisms to deliver funding to meet policy objectives. One common distinction is made between supply-side funding and demand-side funding.

Supply-side funding, sometimes called “funding the service”, involves government funding provided directly to ECE services, with conditions attached to receiving the funding.

Demand-side funding, sometimes called “funding the user”, involves government funding directed to parent/caregivers to assist with their expenditure on ECE. This is usually in one of three forms:

- tax breaks or rebates for parents/caregivers if their child/ren attend ECE;
- vouchers for ECE/childcare to households;
- parent subsidies linked to enrolment in ECE.

In Aotearoa New Zealand, the main form of government funding is supply-side funding in the form of the ECE Funding Subsidy, 20 Hours ECE funding, and Equity Funding (Ministry of Education, 2024a). All services receiving the ECE Funding subsidy are required to be licensed and meet regulatory standards set out in the Education and Training Act (2020). Within the ECE Funding Subsidy are further eligibility and condition requirements for attracting different levels of funding, including: type of service; whether sessional or all-day; age and number of children; percentage of qualified teachers; and pay rates for qualified teachers. 20 Hours ECE is intended for ECE services to provide early childhood education for 3-year-olds, 4-year-olds, and 5-year-olds for up to a maximum of 6 hours per day for 20 hours per week per child without charging fees. Equity Funding and Targeted Funding for disadvantage are two targeted funding sources aimed at addressing equity objectives for participation and quality.

The Work and Income Childcare Subsidy aims to “help families with the cost of pre-school childcare” (Work and Income Te Hiranga Tangata, 2025). Eligibility depends on family household income and whether the parent/caregiver is in employment/working or in training (available for up to 9 hours a week when the parent/caregiver is not working and up to 50 hours a week when the parent/caregiver is in employment/working or in training). Payment of the Childcare Subsidy is made to the ECE service which is expected to offer fee reductions, although this is not a requirement.

Demand-side funding through FamilyBoost was introduced by the current government on 1 July 2024. FamilyBoost is a tax rebate intended to help families pay for the cost of ECE. Eligibility depends on “the children you care for, your household income and the type of childcare you pay for” (Inland Revenue Te Tari Taake, 2025). Both the Childcare Subsidy and FamilyBoost require parents/caregivers to make detailed applications. Tax rebates are made directly to parents/caregivers, currently after 3 months.

While the main form of funding in Aotearoa New Zealand has been supply-side funding, the introduction of FamilyBoost, the current ECE funding review, and the Education and Training (ECE Reform) Bill that skews the purpose of ECE towards meeting parent labour market needs could foreshadow further favouring of demand-side funding. As we will detail later, this is occurring in Aotearoa New Zealand at a time when other countries internationally are moving away from tax-based/demand-side approaches to ECE funding.

It is imperative at this juncture that we take stock of the benefits and disadvantages of both approaches for achieving an equitable, affordable and high quality ECE system.

Impact of Supply-side and Demand-side funding mechanisms on affordability, provision, and quality

In this section, we discuss research evidence on the impact of both approaches to funding ECE, starting with impact on affordability – a key concern for the parents and government in Aotearoa New Zealand.

Demand-side funding has been favoured within Anglophone ECE contexts internationally for some time and is premised on market principles that increasing the power of parents to “purchase” ECE will improve affordability, access, and quality as providers respond to parent requirements. Parents will “vote with their feet” by changing ECE arrangements if they are not satisfied. But research over decades shows that ECE markets (Cleveland & Krashinsky, 2002; Lloyd & Penn, 2012; Vandebroek et al., 2023) do not operate in this way. Choice may not exist where provision of ECE is not available or suited to community and family needs. Parents do not “vote with their feet” – most are reluctant to change their child’s ECE centre once they have started attending. And subjective notions of quality as gauged by parents are not a good proxy for research-informed understandings of quality to support children’s learning, wellbeing and development (Cryer & Burchinal, 1997; Cleveland, 2019). Arguably, emphasising the role of parents as consumers and parental choice legitimises withdrawal of government obligations.

The introduction of the FamilyBoost tax rebate for ECE has signalled growing political preference for this model of funding. However, early analysis has shown that it has not been successful in the aim to help parents pay for the cost of ECE. Significantly fewer parents/caregivers applied for the tax credit than was forecast (Wade, 2025, p. 12). Families have met compliance barriers through needing to keep invoices and make ongoing applications; additionally, the rebate is paid retrospectively, not at the time the family incurred the costs and needs the money. The recent change in income eligibility means that higher income earners who pay more in tax stand to get higher rebates, yet their fees for ECE may be the same as those of lower income earners. It is not possible to accurately predict how many parents will claim the tax credit, making Government planning more difficult. This account poses serious questions about the value-for-money return on government spending when directed through demand-side funding.

Internationally demand-side funding (like tax rebates) has tended to lead to rises in fees and provider profits and to have no actual effect on costs. This is particularly common in ECE markets where for-profit providers dominate. In Australia, where demand-side funding is the main funding mechanism, recent analysis by Jackson (2024) concluded that “providers are incentivised to increase fees rather than drive efficiencies or improve the quality of care. As a result, the system is not delivering affordable, high-quality services for Australian families or value for taxpayers.” Similarly, the Australian Competition and Consumer Commission’s (ACCC) inquiry into childcare found that “historically when subsidies increase, out-of-pocket expenses decline initially but then tend to revert to higher levels. This is because subsequent fee increases erode some of the intended benefit for households over time” (Australian Competition and Consumer Commission (ACCC), 2024, p. 2).

Demand-side funding puts the interests of adults and ECE service providers over those of children. It reinforces an idea that ECE is mainly a service whose purpose is to provide care of children for families in paid employment, rather than a universal education service that benefits all children. Moreover, it privileges parents as consumers and weakens the capacity of governments to steer ECE towards its national goals, such as current goals in Aotearoa New Zealand for “an early childhood education system where all children are able to participate and receive a strong foundation for learning, positive well-being, and life outcomes” (New Zealand Government, 2020, Section 14 Part 2). Where demand-side funding is dominant, “Negative practices tend to appear, e.g., the growth of unregulated services; the selling of services [to parents] on appearance and the practice of offering “slot” services to parents, which undermine all notion of continuity of relationship for young children, of programming or of developmental progress” (OECD, 2006, p. 117).

Supply-side funding became the main form of funding for all ECE services in Aotearoa following the *Before Five* policy (Lange, 1988) to replace other forms of funding, including tax rebates and a trained staff grant for education and care centres. The intention was to improve the standards of care and education in the ECE sector. Funding was delivered directly to providers through a bulk grant and intended to “be used for most staff salaries, wages and professional development, and for operational expenses such as equipment, running costs and accommodation costs” (Lange, 1988, p. 19). The exception was that kindergarten teachers continued to be paid through the Ministry of Education’s central payroll, until they became bulk funded in 1992. Initially conditions were set on the usage of bulk funding related to improving staff:child ratios, expansion of places for over-2-year-olds and provision of a staff development programme. ECE services in receipt of funding were required to monitor, publish, and audit financial statements. A national Parent Advocacy Council was set up to give parents a voice as to the direction of the sector and to support their information and advocacy needs. This was part of the vision of the sector under bulk funding. However, these conditions were removed in the early 1990s, the Parent Advocacy Council was disbanded, and funding levels became insufficient, frozen or reduced. These changes undermined the ethic of ECE as a public good, despite the potential benefits of this supply-side approach. Instead, there followed growing inequities in participation and a lowering of staffing standards that negatively impacted on young children and their families – these have been well-documented (Dalli, 1994; Davison, 1998; Mitchell, 2005). A key message from past experience is that supply-side funding of itself is not sufficient to ensure a child’s right to access and participate in high quality ECE. ECE provision needs to be ensured, for example through Government forecasting need, planning and funding ECE provision. Government funding needs to be provided at adequate levels, targeted for spending purposes, and with regulatory and accountability requirements that support high quality and access.

With these caveats in mind, supply-side funding has distinct advantages. The OECD’s 2006 reviews of ECEC in 20 countries (OECD, 2006) show that direct public funding of services brings “more effective control, advantages of scale, better national quality, more effective training for educators and a higher degree of equity in access and participation than consumer subsidy models” (p. 114).

A longitudinal evaluation of ECE policy in Aotearoa New Zealand showed the impact of 20 hours free ECE (delivered through supply-based funding) when this was first introduced for 3 and 4-year-olds in 2007 (Mitchell & Hodgen, 2008). The evaluation found that low-income families in particular experienced difficulties in affording ECE costs in the years 2004 and 2006. These were largely dispelled by 2009 after free ECE was implemented. In the first month of the policy of 20 hours free ECE, costs to parents fell by 34% nationwide and even influenced a drop in the Consumer Price Index (Statistics New Zealand, 2007). This universal policy diminished inequalities in access and enabled more children to participate irrespective of their family circumstances. Free ECE was just one aspect of a comprehensive policy approach concerned with promoting participation in good quality ECE; improving the quality of ECE; and enhancing collaborative relationships between ECE services, parent support and development, schools, health and social services. In these ways, it put children’s best interests first.

In summary, different funding approaches are linked to ideas about the main purposes of ECE. Funding and other ECE policies reinforce each other. Demand-side funding, while seeking to return money back to parents and offset the cost of ECE, lacks the necessary regulatory mechanisms to address issues of accessibility and quality. A supply-side funding model offers the best opportunity to achieve equitable access and high-quality provision but needs to be accompanied by clear regulations, expectations, and accountability in order to meet policy objectives. Paull and Wilson (2020), who compared funding mechanisms in seven jurisdictions that aimed to reduce costs of ECE, claimed that “free hours are most closely related to supporting child development and preparation for school for all children; subsidies reflect a primary purpose of reducing inequality by reducing costs and enhancing work incentives for these families; and tax support reflects a primary purpose of supporting parental work” (Paull & Wilson, 2020).

Conditions and accountability for receipt of government funds

Irrespective of funding approach, strong accountability and evaluation measures are required to ensure that government investment achieves the desired outcomes and meets the needs of all families in Aotearoa New Zealand. Currently the accountability measures in place do not meet the changing dynamics of the sector, and the growth of for-profit provision. Crucially, there are no restrictions on levels of fees charged by services. While this is true for all types of providers, community-based and private (for-profit) ECE services are differentiated by the Ministry of Education (Ministry of Education, 2024b) according to ownership and how financial gains can be used. A community-based ECE service is prohibited from distributing financial gains to their members. A community-based service is an incorporated society; a charitable, statutory, or community trust; a registered charity; is owned by a community organisation (e.g., a city council, church, or university); or is considered a Public Benefit Entity under XRB requirements. All state kindergartens, kōhanga reo, playcentres, and playgroups are community-based. A private ECE service is able to make financial gains and distribute these to their members. It may be owned by a private company, publicly listed company, private trust, partnership, or an individual. Private provision is found in education and care centres and homebased services.

Private for-profit ECE services receive the same government funding as those that are non-profit and community-based, yet requirements for financial reporting to the Ministry of Education are less rigorous for private services. The latter are only required to provide a “special purpose financial statement” detailing accounting policies, amount of funding received from the government and how government funding was spent. Community-based services are required to provide a much fuller “general purpose financial report” (Ministry of Education, 2024a). This includes a statement of accounting policies, a statement of financial performance (profit and loss account) that includes specific reference to the funding received from the Ministry of Education, a statement of financial position (balance sheet), a statement of movement in equity, and notes on how each type of funding is used. Because of different governance structures, accountability to the ECE community also varies. Community-based services generally include representatives of the ECE community, parents and staff on their governance boards. Conversely, board members of publicly listed ECE companies may be elected by shareholders entirely external to the wider ECE community.

Mitchell et al. (2025) examined the impact of these differences in a comparison of the board composition, percentage of income spent on staffing, ERO ratings and payments to directors of a large kindergarten association (Whānau Manaaki Kindergartens) with a similarly-sized publicly listed ECE company (Evolve). They found “economic imperatives driving Evolve were reflected in the gendered, ethnically homogeneous, and business-oriented backgrounds of the board and the [high] payments made to board members”. This contrasted with the kindergarten association “that extended power and responsibility to [democratically] elected members representative of those who use, teach in, and support kindergarten communities” (Mitchell, et al., 2025, p. 4). Indicative of their different values, in Evolve directors’ fees were considerably higher, expenditure on staffing was very much lower, and ERO ratings were significantly lower. Evolve sold their 105 centres in 2022 to private equity firm Anchorage Capital, after a turbulent financial period and citing more favourable childcare business conditions to be pursued in Australia.

Evidence from other studies (e.g., Cleveland & Hyatt, 2002; Cleveland & Krashinsky, 2004; Friendly et al., 2021; Mitchell, 2002), where higher quality ratings are found in not-for-profit ECE services compared with for-profit ECE services, indicate an explicit link between priorities for spending and the drive to make profits through lowering staffing standards. Research on quality ECE emphasises the importance of qualified teachers, low child-adult ratios and small group size for providing the kinds of environment and pedagogical approaches that support children’s learning and wellbeing (Dalli, et al., 2011; Mitchell et al., 2008). The NICHD ECCRN (The National Institute for Child Health and Human Development Early Child Care Research Network) study (2002), using structural equation modelling, found a mediated path from structural indicators of quality (teacher qualifications and staff: child ratios) through process quality to children’s cognitive competence and caregiver ratings of social competence. A primary way to make ECE cheaper is to employ fewer and less qualified staff and to deregulate staffing. Greater accountability and high regulatory standards for staffing means a better handle on quality measures.

What have other comparable jurisdictions been doing to improve ECE affordability and accessibility?

Many countries now cap ECE fees to make ECE affordable. Alongside capped fees, supply-side funding sufficient to cover costs and other policy measures to address the needs of the country are required, as illustrated in the example from Canada below.

- Childcare fees are controlled in Canada through the Canada-Wide Early Learning and Child Care program working to make licensed childcare services available at \$10 a day. At 2025, in eight of Canada's thirteen jurisdictions, the fee is \$10 a day. By April 2026, parent fees will be limited to \$10 a day across the country. Gordon Cleveland writes: "It is so popular that there are shortages – shortages of trained early childhood educators and shortages of child care facilities and spaces. Many families, especially those with infants, are on waiting lists" (Cleveland, 2024, Executive summary). He argues therefore that the next priority is a need for expansion of good quality child care, made possible through grants, loans, planning, and coordination. "Such a program needs to control and lower child care fees and guarantee the provision of an accessible supply of good quality services. This is the provision of a public service that families can rely on, albeit delivered largely by private providers, mainly not-for-profit and public" (Cleveland, 2024, Executive summary).

Free ECE makes ECE affordable and is linked to aims to ensure access to ECE. A comprehensive set of data has been gathered about access to ECE, including entitlements to a place, compulsory ECEC, and free ECEC in European Union States and is available in the report *Key data on early childhood education and care in Europe – 2025. Eurydice report* (European Commission / EACEA / Eurydice, 2025). Here we highlight/reference some main findings:

- Two approaches in Europe are aimed at ensuring universal access. One approach is to provide a legal entitlement to a place where public authorities must guarantee a place for every child. The second is to make ECEC compulsory. "Overall, data reveals that compulsory ECEC has become a more common measure than entitlement to it. A legal right to a place in ECEC is currently granted in 16 European countries, while ECEC is compulsory in 21 countries" (European Commission / EACEA / Eurydice, 2025, p. 53). The age of entitlement to a place varies from age 6-18 months, to 3 years to 1-2 years before starting school. Only three countries have no formal legal entitlement or compulsory ECEC.
- ECEC policies are interwoven with parental leave policies. Only seven countries have no gap between paid parental leave and the ECEC place guarantee, i.e., the ending of paid parental leave is synchronised with the entitlement to an ECEC place.
- "In Europe, most families pay fees for ECEC for younger children. The availability of ECEC free of charge increases noticeably at age 3, and this trend continues with each year of age, becoming almost universal across Europe during the last year before primary education starts. This trend is accelerated by the increasing availability of public services, especially in ECEC systems with split governance . . . where ECEC becomes part of the education system from around age 3. Free compulsory ECEC is introduced for the last year before primary education in many European education systems" (European Commission / EACEA / Eurydice, 2025, p. 59).
- "Many European countries regulate ECEC fees in the public and publicly subsidised sectors. Often, governments set the fee ceiling at a specific figure, but the limit may be expressed as a proportion of family income or ECEC costs" (European Commission / EACEA / Eurydice, 2025, p. 60).
- Most countries target policies for younger children who are "at risk of poverty or social exclusion" (European Commission / EACEA / Eurydice, 2025, p. 69), e.g., through fee relief, priority admission, funds to employ additional staff.

The Australian Competition and Consumer Commission (ACCC) reported on "price regulation models" in seven countries – England, Ireland, the Netherlands, the United States of America, Canada and New Zealand

(as countries that, like Australia, primarily rely on market provision) and Sweden (as a comparator). Its report details measures for each of these countries, and processes they use to calculate funding amounts (ACCC, 2024, Appendix 4). These may be useful in considering options for regulating cost.

Towards a funding formula

Much consultation, thinking and work related to ECE funding has happened in Aotearoa New Zealand in the last 25 years that could form the basis for further work. The strategic plan, *Pathways to the Future Nga Huarahi Arataki* was developed with consultation through a Working Group of representatives from the ECE sector. Its work on funding remains relevant to current discussions. The final report of the Strategic Plan Working Group to the Minister of Education (Early Childhood Education Long Term Strategic Plan Working Group, 2001) proposed a new funding formula for ECE premised on the vision that all children would have a universal entitlement to a reasonable amount of free early childhood education alongside planned provision so that ECE services are available where they are needed. The proposed formula was based on cost factors (operational, staffing, advisory and support). As an overall principle a single funding model would be applied, but weightings for the cost factors would differ for different types of service. The formula would consider the issue of small services being potentially disadvantaged and the need to sustain high quality. There would be mechanisms to ensure funding was reviewed in light of any major changes in costs faced by ECE services.

Formula funding involves an analysis of the resources needed to deliver a curriculum in a specific context and has been used in countries where a government department or state allocates funding directly to schools. Aotearoa New Zealand's school funding system is fixed by formula but is mostly centrally resourced through teachers' salaries being paid through a central payroll (Levacic et al., 2000).

One of us was a member of the Strategic Plan Working Group and worked with Ann Pairman to pick up and elaborate on the Strategic Plan Working Group funding formula for different service types and sizes and do initial costings and budgets for education and care services. The proposal was provided to the Technical Advisory Group that followed the Working Group, and to the Minister of Education, and was later discussed with government officials in a PhD study where it is detailed (Mitchell, 2007, pp. 309-320). Key elements of the formula are:

- An overall aim for free ECE (up to 30 hours ECE to be fully funded for staffing, including professional development and support; pay parity for all qualified ECE teachers with pay of primary school teachers; good employment conditions), operational costs and advisory support;
- Staffing grant to support structural conditions that are linked in research to good quality early childhood education, specifically: qualified teachers; having equitable pay and conditions; working with high staff:child ratios; and small groups of children. Staffing grant to be tagged for spending on staffing, or staff paid through central payroll according to a nationally negotiated collective employment agreement;
- Advisory/support grant: Financial and governmental support for management, governance, and professional leadership;
- Operations grant, including: (i) Base funding for costs of curriculum resourcing, maintenance, administration, utilities, consumables and cleaning; (ii) Equity funding for extra costs in low income and isolated communities, for immersion programmes and ESOL students; (iii) Plant / rental funding for mortgage / rental costs – depending on ownership. [Note: Equity Funding is part of the current funding system. The 2020 Sector Reference Group, *Review of equity and targeted funding in early learning*, offers a useful proposal that ELI data in the Integrated Data Infrastructure (IDI) system is better able to describe the socio-economic status of children who attend an ECE service than the current system which uses outdated data from Census 2006].

Building off this earlier work, policy measures to support provision of community-based ECE, and to ensure accountability to government and community will need to be developed. This work could draw from international examples, some of which we outline below.

Hopeful examples of countries reconceptualising ECE as a public good

Ireland

Ireland is considered to have a highly privatised ECE system encompassing not-for-profit and community-based providers and with a funding and governance model developed over successive governments in response to changing parental demand (Mahon & Bailey, 2015). ECE availability, accessibility, quality, and level of public funding have historically lagged behind other OECD member states. Over the last decade, the Irish government has engaged with a range of stakeholders in ECE to design a universal, high quality and accessible system for parents and children, with workforce professionalisation at the centre (OECD 2021). The publication of a whole-of-government strategy for the sector in 2019 (Dept of Children, Disability and Family, 2019) sought for the first time to reposition ECE as a public good by investing one billion Euro between 2021 and 2023. This investment was informed by an Expert Working Group who were commissioned to produce a report into how to better design an ECE sector. The subsequent report ‘Partnership for the Public Good- A New Funding Model for Early Learning and Childcare’ (2021) led to two major supply-side funding changes: Core Funding and a National Childcare Scheme. Core funding provided a grant to providers to cover operating costs with the requirement that they capped parental fees. A condition of participating in the scheme was that services retain their fee levels at 2021 rates for families, which was predicted to have an immediate 25% reduction in fees. In response, core funding provides public support to participating services to offset the reduction in parental fee income, so operating costs could be met. Funding was also accompanied by a workforce plan to increase qualified teachers and to facilitate higher staff remuneration levels (Dept of Children, Disability and Families, 2022). At the same time the National Childcare Scheme was introduced as a universal subsidy for children aged 24 months old until fifteen years, to offset the cost of extra-familial care up to a maximum of 45 hours per week. Some success indicators as of 2022 included a notable increase in service capacity, particularly for children under-two years old, and more children overall in full-time ECE. Recent research highlights that ECE costs for parents dropped to a twenty-year low between 2023 and 2024, as a direct result of the NCS and the fee freeze (Doorley & O’Shea, 2025).

Canada

The Canada-Wide Early Learning and Child Care initiative (CWELCC) introduced in 2021 by the Federal government aims to transform Canada’s ELCC provision to a publicly funded and managed system of high quality ELCC. The goal is grounded in “a shared long term vision where all children can experience the enriching environment of quality early learning and child care that supports children’s development to reach their full potential” (Government of Canada, 2022). It focuses on increasing quality, accessibility, affordability, flexibility, and inclusivity in ELCC. Provinces/ territories are required to commit to negotiated agreements to implement the vision in exchange for federal funding. The agreements require attention to reducing fees in stages (50% reduction by 2022) to a capped amount of Canadian \$10 per day by 2025-2026, developing a plan for workplace reform and improvements, expanding spaces towards a goal of 59% utilisation, improving training and wages/salaries for educators, collaborating with and planning for indigenous services, improving access for vulnerable children and diverse populations, and expansion to occur in the public and non-profit sectors only.

Agreements are tracked by the Government of Canada (Government of Canada, 2025) and are unique within these parameters since each province/territory works out its own plan to meet the goals. The bilateral agreements and action plans have been summarised by the Childcare Resource and Research Unit (2024) under the CWELCC focus areas of affordability, accessibility, quality, and inclusivity. There are some very positive results and some aspects where progress has been slower.

Affordability

- All jurisdictions achieved or nearly achieved an average 50% fee reduction by the end of 2022. By the end of 2024, six provinces/territories had set fees at the \$10 per day target. This aspect of the plan received the most detailed treatment.

Accessibility

- Full and part-day spaces have increased but not to the level identified in each action plan. However, there are promising examples. Economist, Gordon Cleveland (June 27, 2023), is tracking some of the provincial initiatives in his posts for Childcarepolicy.net. For example, he reports that Manitoba has a good plan for how to quickly expand childcare services in rural, remote and northern communities. It involves use of modular buildings with a pre-fabricated construction process. Municipalities and First Nations communities that want to participate have to provide serviced land in their community rent-free for 15 years, and agree to provide maintenance, snow clearing and repair services for this period. There is an experienced public sector project manager to provide development services that childcare centre leadership cannot readily do. The province has to provide 100% funding.
- Accessibility is impacted by shortage of qualified educators. All jurisdictions have committed to improving workforce issues. A wide range of workforce initiatives have been taken or are underway, for example, wage grids, benefits and professional development. Nevertheless “child care workforce issues continue and staff shortages remain a factor holding back ELCC expansion. Consistent data on child care staff wages, benefits, and working conditions are not available.” (Childcare Resource and Research Unit, 2024, p. 12)

Quality

- Most provinces and territories agreed that new (expansion) child care using federal funds would be “exclusively” public or non-profit. However, “for-profit expansion has continued in most jurisdictions, exceeding public and non-profit expansion in a number of provinces/ territories.” (Childcare Resource and Research Unit, 2024, p. 13). In addition, Friendly discusses the rise in “fake non-profit” ECE in response to requirements and that “non-profit ownership is more left to goodwill and intentions rather than being effectively monitored.” (Friendly, 2025, p.16)
- See above regarding workforce issues –a qualified workforce is a predictor of quality. The Childcare Resource and Research Unit report argues that other structural features are also important as well as attention to process quality. Recent data on quality was not available.

Inclusivity

- All provinces/territories committed to more equitable, or enhanced, provision of childcare to “under-served” populations. However, the report noted that access to regulated childcare is inequitably distributed.

Another recent report (MacDonald, 2025) has shown that most provinces and territories have shifted to \$10 per day and fees have fallen rapidly. However, there are lengthy waiting lists for places, and a higher percentage of spaces overall have been created in for-profit centres despite agreements. MacDonald (2025) argued that:

What's needed now is strong public planning. The non-profit or public providers who will expand must be identified by government and must be given the tools to expand. Otherwise, we will end up with a larger private system, expanded in places where it is convenient for providers, not to where children live (MacDonald, 2025, p. 4).

Sweden

- Sweden is a unitary state with 21 regions and 290 municipalities (local authorities). It is outstanding as an example of a country that has transformed its early childhood system to an integrated almost entirely public system that dovetails children's entitlement to a place in ECEC with generous well-paid parental leave. The Ministry of Education and Science has overall responsibility for all ECEC services, while the municipalities are responsible for planning provision and funding and running most (71 percent in 2020) of their local ECEC services. The municipalities also fund the remaining private or community-based ECEC services (See Moss & Mitchell, 2024, pp. 102-120 for discussion of the Swedish ECEC system and parental leave provisions).
- Municipalities are required by the Education Act to provide publicly subsidised ECEC for all children from age 12 months, i.e., children are entitled to a place in ECEC and very few younger children attend. From age 3 children are entitled to free ECEC for at least 15 hours per week or 525 hours per year. There is a cap on the amount payable in fees beyond those hours – this is means tested. The main type of provision for children aged between 1 and 5 years are centre-based preschools ([förskola](#)). Six-year-old children attend compulsory and free preschool classes ([förskoleklass](#)). Home-based 'pedagogical care' ([pedagogisk omsorg](#)) is run by registered 'childminders'. In addition, many municipalities also run open preschools ([öppen förskola](#)) where parents or caregivers come with their children whenever they want to. Children whose parents are working or studying have the right to a publicly subsidised place in an after-school recreation centre ([fritidshem](#)). (Outline of provision and entitlements from Eurydice, 2023).
- Moss & Mitchell (2024) discuss the transformation of Sweden's ECEC system and parental leave provisions during the 1960s and 1970s, termed the "decade of commissions" through which "In the traditional Swedish manner, the issues were carefully examined, circulated for official comment and support was built up for decisions and reforms" (Martin Korpi, 2016, p. 27). Notable features within the consultation were the careful consultation, "a political commitment to ECEC services as a public responsibility" (p. 110), a context of public debate about gender equality and gender roles, and wide-ranging cross-party agreement.
- Nevertheless, workforce issues remain. Just under half the staff are graduate preschool teachers; the rest are childcare assistants with a lesser qualification. There is variation in salaries.
- Unfortunately, despite the development over the years, neoliberalism is now highly influential and marketisation is a strong feature currently.
- Sweden spends 1.6% of GDP on ECEC compared with Aotearoa New Zealand 0.9%.

Discussion

This final section begins by recapping the premises on which our paper is based 1) an understanding that ECE is a public good and a public responsibility, that requires public funding and is democratically accountable to the public; 2) the best interests of the child to access high quality ECE appropriate to their family and whānau are central to the design of ECE funding systems; 3) a commitment to Te Tiriti o Waitangi and the principles and strands of Te Whāriki.

The benefits of high quality ECE for children, families and governments are indisputable. Yet, current government policy decisions are marked by an intensified reliance on marketisation and privatisation that

fails to ensure appropriate provision, a reduction in levels of government funding needed to sustain ECE quality, and regulatory reform that dilutes quality standards, staff qualifications and pay rates – all well-established hallmarks of structural quality. A significant issue is the emergence of for-profit ECE services under the umbrella management of larger businesses owned by overseas equity investment companies, where international research has shown financial gain for shareholders and quality and equity objectives are in direct competition. Accountability for spending of government funding and fees charged is lax. Development of a funding system needs to address these issues and problems of uneven distribution of services, variable quality, inequitable access disadvantaging certain population groups, endemic problems for staffing of high turnover and worsening employment conditions and high costs for parents.

The recommendations set out below have arisen from our appraisal of research-based evidence on principles and approaches to funding ECE services that have been used internationally and in Aotearoa New Zealand and that begin to address the issues raised.

Recommendations

Purpose of ECE

The purpose of ECE as a public good to be elaborated as a basis for the funding system.

Drawing from previous work a long-term aim for genuinely free ECE (up to 30 hours ECE to be fully funded for staffing, including professional development and support; pay parity for all qualified ECE teachers with pay of primary school teachers; good employment conditions), operational costs and advisory support.

Provision

A planned approach to providing ECE to meet the needs and aspirations of families and children in local communities. This should be based on consideration of research and analysis of existing provision and ECE participation to identify gaps and duplications in provision, forecasting numbers of preschool children in localities over time, finding out about family and community needs, and putting in place plans to expand provision where appropriate. Exemplars from Manitoba show the value of working with municipal and indigenous communities who provide serviced land in their community rent-free and offer maintenance services over time.

Expansion of provision in public and community-based services, with this sector given tools and support to expand.

Supporting universal access through a legislated entitlement to an ECE place for all families who want their child to attend – to be available from the end of parental leave.

Supply-side funding

Supply-side funding provided directly to ECE services, with conditions attached to receiving government funding. The universal funding formula to build on earlier policy work and to be based on costs of staffing, advisory/support and operations for different service types and sizes. Staffing grant to be tagged for spending on staffing or staff paid through central payroll according to a nationally negotiated collective employment agreement.

Equity Funding to continue, revised to better describe socio-economic status of children and identified needs. The revision should draw on the 2020 Sector Reference Group, *Review of equity and targeted funding in early learning*.

The universal funding formula costs to be regularly reviewed and adjusted as necessary.

Affordability and accountability

Demand-side funding in the form of FamilyBoost tax rebates to be scrapped. It is administratively costly, complex, time-consuming and inequitable to families with no or low tax liabilities. Internationally demand-side funding has tended to lead to rises in fees and provider profits and to have no actual effect on costs.

Free ECE to be extended to 2-year-olds and for longer hours.

To ensure affordability and following promising international examples, ECE fees to be capped at a dollar amount or percentage of family income. This serves the double purpose of increasing access and supporting families to participate in the paid workforce.

The Ministry of Education to collect, analyse and publicise yearly data on fees charged.

The government to investigate the fairness of tax avoidance by ECE organisations through registering a debt or registering as a charitable trust.

All ECE services in receipt of government funding to follow the same rigorous financial reporting requirements (currently private services less rigorous than community-based services) and to report to both the ECE community and Ministry of Education.

Staff and parent representatives to be included as full participants on ECE decision-making bodies.

Conclusion

The ECE Funding Review MAG was asked “to consider options that are at least fiscally neutral for the Crown, that is, within total forecast expenditure in scope”. Nevertheless, we urge the MAG to hold to a long-term vision for ECE that will contribute to shaping an ECE system that enables benefits for all - children, families, communities and government – and that advances the reputation of Aotearoa New Zealand as an international leader in ECE.

References

- Andres, M.A., Pace, B., & Kularatne, I. (2022). The contributing factors to the high turnover of early education teachers in Auckland, *Rere Āwhio – Journal of Applied Research & Practice*, 2, 69-86.
- Australian Competition and Consumer Commission (ACCC). (2024). *Childcare inquiry. Final report*. Commonwealth of Australia. Accessed online at <https://www.accc.gov.au/inquiries-and-consultations/finalised-inquiries/childcare-inquiry-2023/december-2023-final-report>
- Akgunduz, Y.I. & Plantenga, J. (2014). Childcare in the Netherlands: Lessons in privatisation. *European Early Childhood Education Research*, 22 (3), 379–85.
- Childcare Resource and Research Unit. (2024). *Early childhood education and care in Canada 2023. Summary and analysis*. Childcare Resource and Research Unit. . Accessed online at <https://childcarecanada.org/sites/default/files/ECEC-2023-Summary-Analysis-FINAL.pdf>
- Cleveland, G. (April 11, 2019). Why an Ontario child care tax credit is a bad idea. *The Conversation*. <https://theconversation.com/why-an-ontario-tax-credit-for-child-care-is-a-bad-idea-115207#>
- Cleveland, G. (June 27, 2023). Modular child care expansion in Manitoba: An idea worth looking at. Accessed online at <https://childcarepolicy.net/modular-child-care-expansion-in-manitoba-an-idea-worth-looking-at/>
- Cleveland, G. (2024). *Affordable child care services vs money for parents*. ChildcarePolicy.Net. Accessed online at <https://childcarepolicy.net/affordable-child-care-services-vs-money-for-parents/>
- Cleveland, G., & Hyatt, D. (2002). Child care workers' wages: New evidence on returns to education, experience, job tenure and auspice. *Journal of Population Economics*, 15, 575-597.

- Cleveland, G., & Krashinsky, M. (2004). *The quality gap: A study of nonprofit and commercial child care centres in Canada*. University of Toronto at Scarborough, Division of Management. . Accessed online at <http://www.peeearlyyears.com/pdf/Research/CANADA%20EARLY%20YEARS/.pdf>
- Cloney, D., Cleveland, G., Hattie, J. & Tayler, C. (2016). Variations in the availability and quality of early childhood education and care by socioeconomic status of neighbourhoods. *Early Education and Development*, 27 (3), 384-401.
- Cryer, D., & Burchinal, M. (1997). Parents as child care consumers. *Early Childhood Research Quarterly*, 12(1), 35-58. [https://doi.org/https://doi.org/10.1016/S0885-2006\(97\)90042-9](https://doi.org/https://doi.org/10.1016/S0885-2006(97)90042-9)
- Dahlberg, G., Moss, P., & Pence, A. (1999). *Beyond quality in early childhood education and care. Post modern perspectives* (1st ed.). Falmer Press.
- Dalli, C. (1994). Is Cinderella back among the cinders? A review of early childhood education in the early 1990s. *New Zealand Annual Review of Education*, 3, 223-252.
- Dalli, C. (2017). 'Concluding thoughts: What matters for high-quality experiences for two-year-olds in early years settings?' In J. Georgeson & V. Campbell-Barr (Eds.) *Places for Two-year-olds in the Early Years*, pp. 142-150. Routledge.
- Dalli, C., White, E. J., Rockel, J., & Duhn, I. (2011). *Quality early childhood education for under-two-year-olds: What should it look like?* Wellington, New Zealand: Ministry of Education.
- Dept of Children, Disability and Family, (2019). *First 5: A whole-of-government strategy for babies, young children and their families, 2019-2028*. Government Publications, Dublin.
- Dept of Children, Disability and Families. (2022), *Nurturing Skills: The workforce plan for early learning and care and school aged childcare 2022-2028*. Government publications, Dublin.
- Doorley K. & O'Shea, R. (2025). *Childcare Subsidies, Childcare Costs and Benefit Erosion: Simulations for Ireland*. Economic and Social Research Institute Working Paper 799, Dublin.
- Early Childhood Education Long Term Strategic Plan Working Group. (2001). *Final report of the strategic plan working group to the Minister of Education*. Ministry of Education.
- Education Review Office. (2015). *Infants and toddlers competent and confident communicators*. Accessed online at <https://www.ero.govt.nz/our-research/infants-and-toddlers-competent-and-confident-communicators-and-explorers>
- European Commission / EACEA / Eurydice. (2025). *Key data on early childhood education and care in Europe – 2025. Eurydice report*. . Accessed online at <https://eurydice.eacea.ec.europa.eu/publications/key-data-early-childhood-education-and-care-europe-2025>
- Erskine & Owen. (2022). *Positive impact, long-term leases drive investment in daycare centres*. . Accessed online at <https://www.erskineowen.co.nz/2022/04/investment-in-daycare-centres/>
- Eurydice. (2023). *Sweden. Early childhood education and care*. . Accessed online at <https://eurydice.eacea.ec.europa.eu/national-education-systems/sweden/access>
- Friendly, M. (2025). *Deconstructing "fake non-profit" child care in Canada*. Childcare Resource and Research Unit. Accessed online at <https://childcarecanada.org/publications/occasional-paper-series/deconstructing-%E2%80%9Cfake-non-profit%E2%80%9D-child-care-in-canada>
- Friendly, M., Vickerson, R., Mohamed, S. S., Rothman, L., & Nguyen, N. (2021). *Risky business: Child care ownership in Canada past, present and future*. Childcare Resource and Research Unit. . Accessed online at https://childcarecanada.org/sites/default/files/Risky-business-child-care-ownership-in-Canada-past-present-future_1.pdf
- Gallagher, A. (2020). A 'Golden Child' for Investors: The assetization of urban childcare property in NZ. *Urban Geography*, 42(10), 1440–1458.
- Government of Canada. (2022). *Multilateral Early Learning and Child Care Framework*. Accessed online at <https://www.canada.ca/en/employment-social-development/programs/early-learning-child-care/reports/2017-multilateral-framework.html#h2.1>
- Government of Canada. (2025). *Early Learning and Child Care Agreements*. Accessed online at <https://www.canada.ca/en/early-learning-child-care-agreement/agreements-provinces-territories.html>
- Inland Revenue Te Tari Taake. (2025). *FamilyBoost*. Inland Revenue Te Tari Taake. Accessed online at <https://www.ird.govt.nz/familyboost>
- Jackson, A. (2024). *Time to stop throwing good money after bad. Delivering universal childcare through market reform*. Impact Economics and Policy. Accessed online at

- <https://static1.squarespace.com/static/61e32e62c8c8337e6fd7a1e6/t/6743c99082f8de7a51c66103/1732495780959/Universal+Childcare+Market+Reform.pdf>
- Levacic, R., Ross, K., Caldwell, B., & Odden, A. (2000). Funding schools by formula: Comparing practice in five countries. *Journal of Education Finance*, 25(4), 489-515.
- Macdonald, D. (2025). *Cash cow: Assessing child care space creation progress*. Accessed online at <https://www.policyalternatives.ca/news-research/cash-cow-assessing-child-care-space-creation-progress/>
- Mahon, E., & Bailey, J. (2015). The incomplete revolution: Development of childcare policies in Ireland. In Kutsar, D. & Kuronen, M. (Eds.) *Local welfare policy making in European cities* (pp. 149-160). Springer International Publishing.
- Martin Korpi, B. (2016). *The politics of preschool – intentions and decisions underlying the emergence and growth of the Swedish preschool*. Accessed online at <https://www.government.se/information-material/2007/10/the-politics-of-pre-school--intentions-and-decisions-underlying-the-emergence-and-growth-of-the-swedish-pre-school/>
- May, H., & Mitchell, L. (2009). *Strengthening community-based early childhood education in Aotearoa New Zealand*. NZEI Te Riu Roa.
- Meissel, K., Peterson, E., Thomas, S., & Murray, S. (2019). *Intentions and decisions about early childhood education: Understanding the determinants and dynamics of households' early intentions and decisions about ECE and childcare from birth to age two*. Ministry of Social Development. <https://www.ms.govt.nz/>
- Ministry of Education. (2023). Licensed early childhood services. Accessed online at https://www.educationcounts.govt.nz/_data/assets/pdf_file/0005/243779/ECE-Census-2023-Services-Fact-Sheet.pdf
- Ministry for Regulations. (2024). *Regulatory Review of Early Childhood Education – full report*. Accessed online at <https://www.regulation.govt.nz/about-us/our-publications/regulatory-review-of-early-childhood-education-full-report/>
- Ministry of Education. (2024a). *ECE Funding handbook*. Ministry of Education. Accessed online at <https://www.education.govt.nz/education-professionals/early-learning/funding-and-financials/ece-funding-handbook>
- Ministry of Education. (2024b, 23 September 2024). *Glossary*. Accessed online at <https://www.educationcounts.govt.nz/data-services/glossary>
- Ministry of Education. (2024c). *Pivot table: Number of ECE services (2002-2024)*. Accessed online at <https://www.educationcounts.govt.nz/statistics/services>
- Ministry of Education. (2024d). *Pivot table: Number of licensed ECE places (2000-2024)*. Accessed online at <https://www.educationcounts.govt.nz/statistics/services>
- Ministry of Education. (2025). *Early learning participation*. Education Counts. Accessed online at https://www.educationcounts.govt.nz/_data/assets/pdf_file/0003/208713/Early-learning-participation-Indicator.pdf
- Mitchell, L. (2002). *Differences between community owned and privately owned early childhood education and care centres: A review of evidence*. New Zealand Council for Educational Research www.nzcer.org.nz.
- Mitchell, L. (2005). Policy shifts in early childhood education: Past lessons, new directions. In J. Codd & K. Sullivan (Eds.), *Education policy directions in Aotearoa New Zealand* (pp. 175-198). Southbank Vic: Thomson Learning.
- Mitchell, L. (2007). *A new debate about children and childhood. Could it make a difference to early childhood pedagogy and policy?* [Doctor of Philosophy thesis, Victoria University of Wellington]. Wellington. Accessed online at <http://researcharchive.vuw.ac.nz/handle/10063/347>
- Mitchell, L. (2022). Transformative shifts in early childhood education after four decades of neoliberalism. *New Zealand Annual Review of Education*, 28, 132-147. <https://doi.org/https://doi.org/10.26686/nzaroe.v28.8592>
- Mitchell, L., Botes, V., & Kamenarac, O. (2025). Early childhood education as a public good: Challenges and possibilities. *Early Childhood Folio*, 29(2), Online First 2.
- Mitchell, L., & Hodgen, E. (2008). *Locality-based evaluation of Pathways to the Future—Ngā Huarahi Arataki. Stage 1 report*. Ministry of Education. Accessed online at <https://www.educationcounts.govt.nz/publications/ECE/28949>

- Mitchell, L., & Meagher-Lundberg, P. (2017). Brokering to support participation of disadvantaged families in early childhood education. *British Educational Research Journal*.
<https://doi.org/10.1002/berj.3296>
- Mitchell, L., Wylie, C., & Carr, M. (2008). *Outcomes of early childhood education: Literature review. Report to Ministry of Education*. Accessed online at
<https://www.nzcer.org.nz/research/publications/outcomes-early-childhood-education-literature-review>
- Moss, P., & Mitchell, L. (2024). *Early childhood in the Anglosphere. Systemic failings and transformative possibilities*. UCL Press. Access online at <https://uclpress.co.uk/book/early-childhood-in-the-anglosphere/>
- New Zealand Government. (2020). *Education and Training Act 2020*.
<https://www.legislation.govt.nz/act/public/2020/0038/latest/LMS278474.html>
- NICHD Early Child Care Network. (2002). Child-care structure>process>outcome: Direct and indirect effects of child-care quality on young children's development. *Psychological Science*, 13(3), 199-206.
- NZEI, Te Rui Roa, (2023). *Kōriporio: Early childhood education workforce survey report*. Accessed online at https://www.nzeiteriuroa.org.nz/assets/downloads/ECE-Survey-Report-digital-LR_20230911.pdf
- NZEI Te Riu Roa. (2025). *Kōriporio early childhood education workforce survey*. Accessed online at <https://www.nzeiteriuroa.org.nz/campaigns/k%C5%8Driporipo>
- OECD. (2006). *Starting strong 11: Early childhood education and care*. Organisation for Economic Cooperation and Development.
- OECD, (2018). *Net childcare costs*. Accessed online at <https://www.oecd.org/en/data/indicators/net-childcare-costs.html>
- OECD. (2021). *The Irish Example: Towards high quality, affordable early childhood education and care*. Accessed online at <https://oecdedutoday.com/ireland-irish-high-quality-affordable-early-childhood-education-care/>
- Ontario Teachers Pension Plan. (2022). *Busy Bees Nurseries. Partnering in global growth*. Accessed online at <https://www.otpp.com/en-ca/about-us/news-and-insights/portfolio-insights/busy-bees-nurseries-partnering-in-global-growth/>
- Paull, G (2012). *Childcare Markets and Government Intervention*, In Penn, H & Lloyd E. (Eds) *Childcare markets: Can they delivery equitable service?* Pp 227-256. Policy Press, Bristol
- Paull, G. (2019). *Early Years Providers Cost Study 2018*, Ministry of Education, UK.
- Paull, G., & Wilson, C. (2020). *Working Paper 2. International Approaches to Funding Early Learning and Care and School-Age Childcare to Reduce Costs for Parents* Frontier Economics. Accessed online at <https://www.gov.ie/en/department-of-children-disability-and-equality/publications/partnership-for-the-public-good/>
- Simon A., Penn, H., Shah, A., Owen, C., Lloyd, E., Hollingworth, K., & Quay, K. (2022). *Acquisitions, mergers and debt: The new language of childcare – Main Report*. London: UCL Social Research Institute, University College London. Accessed online at <https://www.nuffieldfoundation.org/wp-content/uploads/2022/01/The-new-language-of-childcare-Main-report.pdf>
- Sin, I. (2021). *Access to Childcare Interim Report 1: Who has difficulty accessing affordable childcare?* Motu Economic and Public Policy Research. Accessed online at https://www.women.govt.nz/sites/default/files/2022-04/Access%20to%20Childcare%20Report%201_0.pdf
- Statistics New Zealand. (2007). *Consumer Price Index: September 2007 quarter*. Statistics New Zealand.
- Thorpe, K., Westwood, E., Jansen, E. et al. (2021). *Working towards the Australian National Quality Standard for ECEC: What do we know? Where should we go?* *Australian Educational Researcher*, 48, 227–247.
- United Workers Union. (2022). *Spitting off cash Where does all the money go in Australia's early learning sector?* Accessed online at <https://bigsteps.org.au/wp-content/uploads/2021/11/Spitting-off-cash-Where-does-all-the-money-go-in-Australias-early-learning-sector.pdf>
- Wade, A. (October 12, 2025). *A middle-class rebate: How FamilyBoost was massaged, modelled and mis-sold*. *Sunday Star Times*, pp. 12-13.

Work and Income Te Hiranga Tangata. (2025). *Childcare Subsidy*. Work and Income Te Hiranga Tangata. Accessed online at <https://www.workandincome.govt.nz/products/a-z-benefits/childcare-subsidy.html>