
9 The ECEC workforce in rural and remote areas

Key points

- It is difficult to obtain sufficient numbers of skilled and experienced early childhood education and care (ECEC) workers in rural and remote areas. Unless addressed, this will prevent the full implementation of the Council of Australian Governments (COAG) ECEC reforms in rural and remote areas. The causes of this difficulty affect both rural and remote settings, to a degree that typically increases with remoteness.
- Children in rural and remote areas are less likely to attend mainstream ECEC services than those in urban areas. When attending mainstream services, rural and remote children are more likely to attend preschool and family day care, and less likely to attend other services, such as long day care. This may be affected by the relative availability of services in these areas.
- Supply of ECEC workers is significantly constrained in rural and remote areas, particularly for positions requiring tertiary qualifications.
- Special allowances and other incentives are offered to workers in some rural and remote areas. While such payments appear to increase supply of ECEC workers in these areas, the magnitude of this increase is unknown.
- The poor availability of housing in some (mainly remote) areas adversely affects worker retention, as well as the ability of ECEC workers to perform their duties. This results in higher cost and lower quality services. In order to meet the goals of the COAG ECEC reforms for children in remote areas, governments should provide all ECEC workers in remote communities with timely access to appropriate housing at reasonable cost, including housing for students undertaking placements.
- Workers who are recruited from, receive training in, or otherwise have experience with rural or remote areas are generally more willing to work in those areas. Increasing the number of training opportunities in rural and remote areas would improve staff recruitment and retention rates.
- Many jurisdictions experience difficulties in attracting teachers to primary schools in rural and remote areas. Given the compulsory nature of primary schooling, it will likely remain a higher workforce priority than ECEC services. This will compound the difficulties in supplying teachers to ECEC services in rural and remote areas.

Providing early childhood education and care (ECEC) services in rural and remote areas involves particular workforce challenges. Recruitment and retention are very difficult (box 9.1) due to factors such as insufficient housing, competition with other sectors, ‘culture shock’ and limited opportunities for professional development and support. This chapter explores these issues, and discusses how the Council of Australian Governments (COAG) ECEC reforms will affect ECEC provision in rural and remote Australia.

Regional and remote areas can generally be thought of as those areas outside of major metropolitan cities. Figure 9.1 shows the distribution of regional and remote areas in Australia. There is considerable diversity within and between regional and remote classifications. Inner regional towns like Ballarat, for example, experience few of the issues discussed in this chapter. Even some outer regional towns do not experience these issues to a significant degree. For example, while classified as outer regional, Cairns has a population of around 150 000 people and thus has access to a significant workforce.

Box 9.1 ECEC staffing difficulties in rural and remote areas

Many study participants stressed that service providers in rural and remote areas face greater difficulties than their urban counterparts in attracting early childhood education and care staff.

Recruiting staff to remote locations is a difficult matter. (Mobile Children’s Services Association of NSW, sub. 38, p. 5)

... being located in a rural area offers more difficulties in recruiting staff. (Community Child Care, sub. 63, p. 8)

The difficulties of attracting ... qualified staff in child care settings are exacerbated in regional and remote areas. (Department for Communities (WA), sub. 59, p. 2)

As a member of a large number of forums and reference groups, KU is aware that there is difficulty in attracting ECEC university qualified teachers in regional and remote areas. (KU Children’s Services, sub. 26, p. 7)

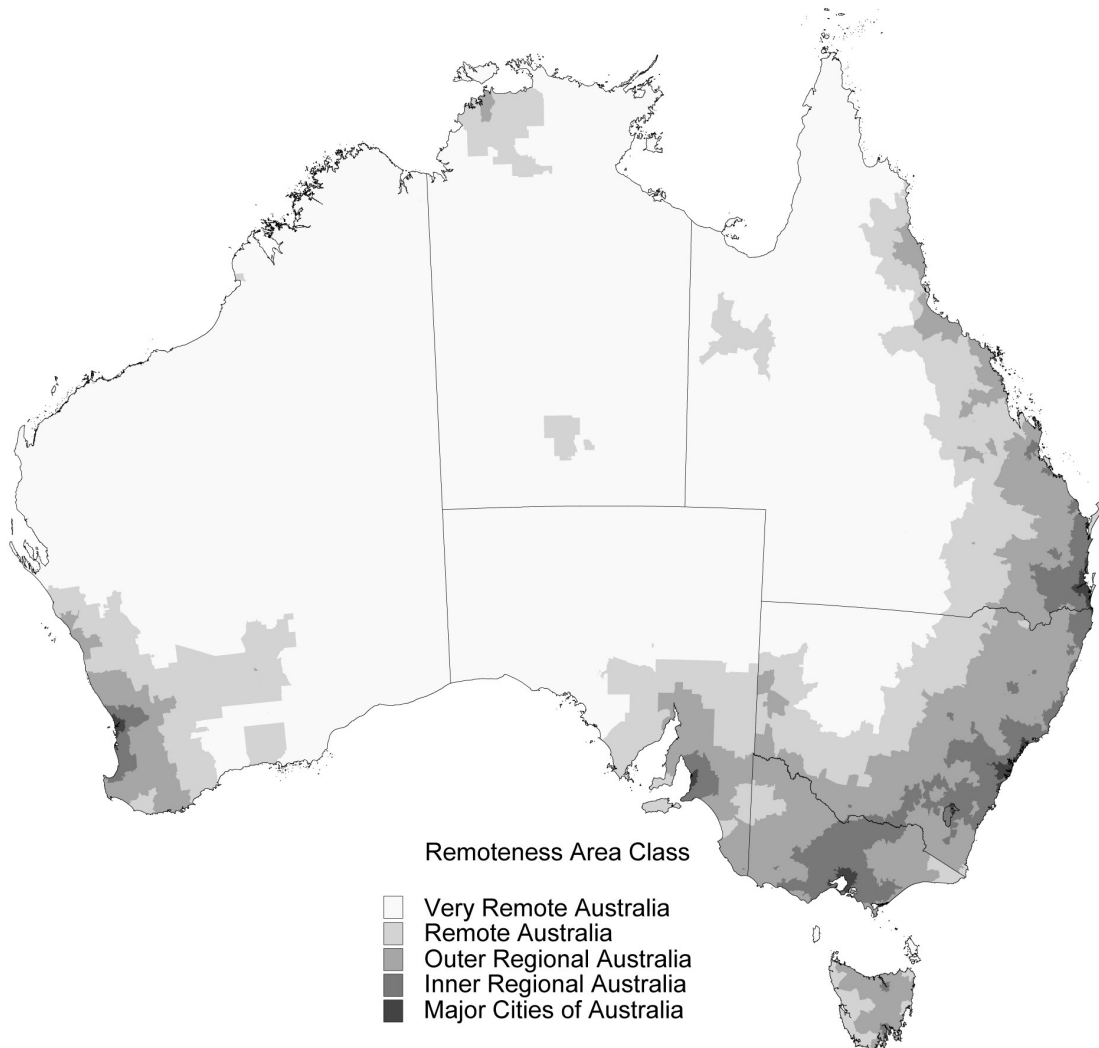
... we find it particularly difficult to recruit staff in regional and rural areas ... often because there is not a large enough pool of suitably qualified staff (especially the case in regional areas) from which to recruit. (Northcott Disability Services, sub. 18, p. 3)

These concerns were just as strong when considering retention of staff in rural and remote areas.

Turnover is very high and consistency of staff retention is hard to maintain [in remote regions]. (RRACSSU Central, sub. 42, p. 3)

... retention difficulties of suitably trained early childhood staff are consistently apparent in the most remote isolated areas, but increasingly large regional centres ... are also encountering similar problems. (City of Greater Geelong, sub. 20, p. 7)

Figure 9.1 Metropolitan, regional and remote Australia



Source: ABS (2010h).

It is a combination of isolation and low population density that causes some areas to experience ECEC workforce issues that are significantly different from those in urban areas. For this reason, the issues discussed in this chapter are correlated with an area's regional or remote classification, but not perfectly so. Therefore, the term 'rural' will be used to refer to those regional, but not remote, areas where the issues in this chapter exist to a significant degree. Most rural areas are contained within areas classified by the Australian Bureau of Statistics as outer regional.

The issues discussed in this chapter are, where possible, separated according to whether they affect both rural and remote areas, or mainly affect remote areas. However, most of the issues exist in all regional and remote areas, but to varying degrees. Many inner regional areas experience these issues to a limited degree,

while in most areas classified as very remote these issues are pervasive. Therefore, where an issue is identified as applying to remote areas, that does not mean that this issue is not present to some degree in other areas.

While 88 per cent of Australian children under the age of five years live in major cities and inner regional areas, 9 per cent live in outer regional areas, and 3 per cent in remote and very remote areas (ABS 2009d). Remote and very remote issues have relevance mainly to Queensland, Western Australia and the Northern Territory, since 80 per cent of children living in remote or very remote areas reside in these jurisdictions.

In addition to ECEC services discussed in preceding chapters, a range of non-mainstream services are offered in rural and remote areas. Most non-mainstream services are provided by not-for-profit organisations and are delivered mainly in rural, remote or Indigenous communities. They provide access to ECEC where the market would otherwise fail to deliver any ECEC services. They include:

- flexible/innovative services
- mobile ECEC services
- crèches including Jobs, Education and Training (JET) crèches (DEEWR ndb).

The Port Pirie JET crèche is an example of an Australian Government-funded non-mainstream service. It offers ‘a free crèche to sole or disadvantaged parents who have the opportunity to participate in workshops for their development and/or employment skills’ (UnitingCare Wesley Port Pirie 2010).

Non-mainstream services are also funded by other levels of government. For example, the Darwin City Council operates ‘The Fun Bus’ — a mobile playgroup service for children 0 to 5 years and their parents and carers (Darwin City Council, sub. 47). In New South Wales, there are 110 mobile children’s services operating in hundreds of communities with thousands of families (Mobile Children’s Services Association of NSW, sub. 38).

Non-mainstream services also include services targeted specifically at Indigenous children, such as Multifunctional Aboriginal Children’s Services (MACS), Indigenous playgroups, Indigenous outside school hours care (OSHC) and enrichment programs. Workforce issues affecting Indigenous-focused services are discussed in chapter 14.

9.1 Demand for ECEC workers in rural and remote areas

Most factors affecting demand for ECEC workers in rural and remote areas are the same as those in urban areas. However, demand for workers does vary to the extent that the proportion of different types of services offered in rural and remote areas differs. The current makeup of the rural and remote ECEC workforce has implications for the additional demand resulting from the COAG ECEC reforms.

Current demand

While the demand for ECEC workers in rural and remote areas is affected by factors which affect the workforce as a whole (see chapters 4, 5, 6 and 7), the characteristics of individual communities can give rise to localised workforce issues. For example, in times of drought:

... when farmers' fee incomes go down, rural services face falling enrolments which can make it difficult to continue to employ more qualified (and therefore more expensive) staff on an ongoing basis. (Community Child Care Co-operative, sub. DR183, p. 12)

The availability of services in these regions can be affected by such issues, and this will also shape workforce demand.

Though no ECEC service type is absent from all rural and remote areas, the availability of some service types diminishes in the more remote areas of Australia. Towns like Tamworth and Bendigo have a full range of ECEC services available, while the only ECEC service available in Jeparit (outer regional Victoria) is a preschool. In communities such as Batchelor (outer regional Northern Territory) a MACS is the only available option.

There are no data that comprehensively describe the ECEC workforce and services in rural and remote areas. However, some conclusions can be drawn from the data that do exist. The proportion of ECEC services offered in these areas differs to that of urban areas, with long day care (LDC) and OSHC making up a smaller share of ECEC services in rural and remote areas than in major cities. Of those attending ECEC services (excluding preschool), proportionally more children in outer regional, remote and very remote areas (17 per cent) attend family day care (FDC) services than those in inner regional and major cities areas (9 per cent). Also, the share of ECEC services (excluding FDC) accounted for by dedicated preschools increases with remoteness (25 per cent in major cities, 33 per cent in inner regional areas, 44 per cent in outer regional areas, and 71 per cent in remote and very remote

areas). The greater prevalence of services such as preschool and occasional care (OC) in rural and remote areas — where services such as LDC are less financially viable — is due to the structure of government funding of these services (Queensland Government, sub. DR88).

The increased rates of FDC attendance in rural and remote areas does not necessarily reflect a preference for these services over LDC and other types of ECEC. It is instead a consequence of the fact that, in some areas, low population density can make large-scale operations like LDC unviable, and so they are substituted by small-scale services such as FDC. Even in areas where LDCs are viable, there may nevertheless be limited opportunities to choose quality long day care services (Harris 2008). Given that FDC is more common in rural and remote areas, the demand for workers is skewed in favour of FDC when compared to urban areas.

Four-year degree-qualified teachers form a larger part of the remote and very remote ECEC workforce (19 per cent), excluding FDC workers, than in other areas (10 per cent) (Productivity Commission estimates based on unpublished DEEWR data from the 2010 National ECEC Workforce Census). This is to be expected, as preschools comprise a much larger proportion of services in those areas, and many of these preschools offer programs to children from an earlier age (although for fewer hours per week) than preschools in other areas. For instance, most jurisdictions fund preschool programs for Indigenous children for two years prior to formal schooling, rather than just one year, meaning that rural and remote areas, which generally have a higher concentration of Indigenous children, have a higher demand for preschool teachers.

Study participants raised very few concerns about the workforce for OSHC and OC services in rural and remote areas. It is also likely that there is a high degree of substitution of informal care for these services in rural and remote locations.

Effect of COAG reforms in rural and remote areas

The National Quality Standard (NQS) will require some mainstream ECEC services to employ qualified teachers and to meet staff-to-child ratios that are higher than those currently in place in many jurisdictions. In addition to greater staff numbers, the reforms also require a general increase in the qualifications of those workers currently employed in the ECEC workforce (chapter 5). These requirements present a significant challenge to rural and remote areas, which already struggle to recruit and retain an ECEC workforce.

Staffing pressures will increase

With ECEC services in rural and remote areas already experiencing greater difficulty in recruiting both educators and teachers than their counterparts in urban areas, study participants expressed concern that they will be unable to find enough qualified staff to meet the NQS.

There is immense concern from members in rural WA who at present find it very difficult to meet the current standards with a Diploma trained [staff member] as there are none to recruit — these members are voicing their concern at attracting a university trained Educator to their rural centre. (Childcare Association of WA, sub. 73, p. 3)

Isolated services will also experience ... challenges in accessing higher qualified staff — access to support and training in rural areas should be considered — isolated areas have limited choice in care options and to jeopardise what is there will have a detrimental impact on communities, families and children. (Tasmanian Ministerial Child Care Advisory Council, sub. 83, p. 28)

The change in demand for preschool teachers in rural and remote areas depends on the current demand for teachers in these areas. Attendance rates and hours of attendance at preschool can give an indication of demand for preschool teachers. At first glance preschool attendance rates appear to be similar across all remoteness classifications (ABS 2009c), with some data suggesting higher attendance rates in remote and very remote areas (SCRGSP 2011a). However, when again considering that a larger share of children in rural and remote areas attend preschool for two years instead of one, it appears that children in rural and remote areas are less likely to attend preschool than those in other areas. Also, children who attend preschool in outer regional, remote and very remote areas, do so for fewer hours per week than those who attend preschool in other areas (ABS 2009c).

As mentioned in chapter 3, the National Partnership Agreement on Early Childhood Education (NPA ECE) includes a requirement that every child will have access to 15 hours of preschool per week in the year before formal schooling by 2013. This will lead to a pronounced increase in demand for preschool teachers in rural and remote areas, due to current hours of participation of children in these areas being lower than those in urban areas. With some rural and remote areas already unable to find appropriately qualified preschool teachers (Australian Childcare Alliance, sub. 71; Childcare Association of WA, sub. 73; Community Child Care Co-operative, sub. 53; Community Connections Solutions Australia, sub. 75; KU Children's Services, sub. 26; Queensland Catholic Education Commission, sub. 13) the requirements of the NPA ECE will exacerbate the existing shortage of teachers.

The NQS and NPA ECE regulations contain provisions to relieve some of the pressure on ECEC services in rural and remote locations. For example, while the

NQS specifies minimum staff-to-child ratios for each type of ECEC service (see chapters 4, 5, 6 and 7), it also contains a provision allowing FDC services in rural and remote areas to exceed these ratios when no alternative ECEC services are available (ACECQA 2011). Such provisions may reduce workforce demand pressures in some rural and remote areas.

A greater need for training

While there is a need to increase the size of the ECEC workforce in rural and remote areas, the NQS also creates a need to improve the qualifications of the workforce in these areas. Since a greater proportion of ECEC staff are unqualified in remote and very remote areas (37 per cent) than in other areas (29 per cent), the requirement that all educators obtain the Certificate III in Children's Services will place greater stress on the workforce in remote and very remote areas. In addition, there are proportionally fewer diploma-qualified staff in outer regional, remote and very remote areas, so the requirement that half of all educators possess a diploma qualification will further increase workforce pressures (Productivity Commission estimates based on unpublished DEEWR data from the 2010 National ECEC Workforce Census).

Compared to those in major cities, a larger proportion of the ECEC workforce in rural and remote areas are currently enrolled and studying for a qualification in an ECEC-related field. Around 45 per cent of ECEC staff in rural and remote areas are currently studying, compared to 33 per cent in major cities and 35 per cent in inner regional areas (Productivity Commission estimates based on unpublished DEEWR data from the 2010 National ECEC Workforce Census). This may suggest that the rural and remote workforce is working more quickly towards the new qualification requirements, but may also reflect that workers in these areas are more likely to study by distance education, which can involve undertaking fewer units at a time.

9.2 Supply of ECEC workers in rural and remote areas

Limitations on supply

As discussed, rural and remote service providers report great difficulty in recruiting and retaining ECEC workers (see box 9.1 above).

One of the most pressing challenges currently facing early childhood services across Australia is the shortage of qualified early childhood staff. This problem is particularly evident within rural and regional communities ... (City of Greater Geelong, sub. 20, p. 5)

This sentiment was echoed by several other study participants (Australian Community Children’s Services, sub. 64; Benevolent Society, sub. 49; C&K Association, sub. 52; NSW Children’s Services Forum, sub. 23).

Although attracting any ECEC staff is difficult, attracting degree-qualified staff, such as teachers, is particularly challenging. Teacher recruitment is so difficult in some jurisdictions that requirements for qualified staff have been relaxed in order to allow rural and remote services to continue to operate. In outer regional, remote and very remote areas, 16 per cent of services report that they have an exemption for workers without formal teaching qualifications, compared to 9 per cent of major cities and inner regional services (Productivity Commission estimates based on unpublished DEEWR data from the 2010 National ECEC Workforce Census). The difficulties faced by the rural and remote ECEC workforce in accessing training and professional development opportunities (see chapter 10) will create greater pressure on rural and remote services to apply for waivers following the implementation of the COAG reforms (Gowrie SA, sub. DR105).

Isolation and remoteness

Along with recruitment, retention is commonly raised as a problem for ECEC services in rural and remote areas. In addition to the challenges of isolation (City of Greater Geelong, sub. 20), ‘culture shock’ may be a major reason for the reported differences in retention rates between local and non-local ECEC workers. Study participants suggested that:

[ECEC workers] must ... have the maturity and courage to leave their own culture to live in a world where few people speak their language fluently. In addition there is ... inability to travel to and from communities in the wet season. (RRACSSU Central, sub. 42, p. 10; Batchelor Institute, sub. 46, p. 10)

These difficulties are likely to be more apparent in very remote areas, including some Indigenous communities. Workers moving to these areas need to have the skills and disposition to be able to adapt to a different way of life.

The cost of food — a major determinant of the cost of living — is significantly higher in rural and remote areas (Burns et al. 2004; Lee 2003). The higher cost of living further compounds recruitment difficulties (Professor Alison Elliott, sub. 70). The cost of living is also affected by the higher cost of housing, which is a particular issue in some areas due in part to the growth of the resources sector.

Impact of the resources sector

ECEC employers in some rural and remote areas face overwhelming competition for workers from other sectors. Many mining communities, for example, have difficulties recruiting ECEC workers.

High salaries offered to workers in the mining industry in these regions impact greatly on the retention of staff. Additional incentives may be required under such circumstances to attract and retain workers in the sector. (Australian Education Union, sub. 69, p. 14)

While wages of workers from all sectors are generally higher in mining towns, including those of ECEC workers (Catholic Education Office of Western Australia, sub. 65), study participants considered recruitment and retention to be more difficult due to the presence of these booming industries.

[There is] high turnover of staff in regional mining towns — the wage of a childcare worker is no comparison to [the wage of] menial task jobs such as stacking shelves or pumping fuel in these towns. (Childcare Association of WA, sub. 73, p. 1)

Typically, remote mining areas make use of a ‘fly-in, fly-out’ (FIFO) workforce. While the Health and Community Services Workforce Council (sub. 56) expressed concern that the use of FIFO workforces contributes to recruitment difficulties in early childhood services, these concerns do not appear to be widespread. The use of a FIFO workforce reduces the likelihood of workers bringing spouses who may take up ECEC roles, denying a source of workforce supply. However, it also reduces the likelihood of workers bringing children who may require ECEC services, removing a source of workforce demand. While the precise impact of a FIFO workforce on ECEC workforce issues may depend on demographic characteristics and scale effects, the overall effect is likely to be neutral.

Although ECEC workforce difficulties are apparent in areas where the resources sector dominates economic activity, there are offsetting effects also originating from the resources sector. The royalties paid by resource companies can be used to support the ECEC workforce. For example, Western Australia’s ‘Royalties for Regions’ program funds the construction of housing for government employees, providing funding for 459 units in rural and remote areas of Western Australia (Grylls and Buswell 2009). The availability of housing is an issue which affects the ECEC workforce in remote areas (see below).

While the mining sector's presence has contributed to the shortage of ECEC workers in some rural and remote areas, a number of resource companies are actively funding the provision of ECEC services in order to address the needs of their workers, as well as those of the broader community.

Contributions by the mining companies have included assistance with construction costs, and the provision of housing for child care workers to support recruitment and retention of staff who would not otherwise be able to afford the high housing costs (purchase and rental) and higher general living costs in mining towns. This measure further assists with the affordability of child care in those areas. (Department for Communities (WA), sub. 59, p. 3)

For example, Woodside Petroleum has contributed \$3.7 million to fund the construction of a \$5.9 million childcare centre in Karratha (remote Western Australia), with the remainder provided by the Australian Government (Garrett and Pratt 2010). Similarly, BHP Billiton Iron Ore's childcare strategy has committed \$25 million to supporting ECEC in Newman and Port Hedland (remote Western Australia). Part of the investment included the establishment of two childcare centres, provision of training, support and housing for ECEC staff, and provision of small grants to existing ECEC centres and workers (BHP Billiton 2008). However, BHP Billiton has since withdrawn its provision of a house for a childcare worker in Port Hedland, increasing the cost of ECEC services in the area (see below).

Limited training and professional development opportunities

Workers in rural and remote areas have difficulties accessing training and professional development opportunities, whether by travelling to larger population centres to attend courses, or through distance education.

Distance from training providers and the difficulty in finding replacement staff both present major barriers to training for ECEC workers.

Living in the Central West [of New South Wales] can be an obstacle when it comes to accessing quality [early childhood] training and inservicing. Many training opportunities are available in capital cities and travel and accessing relief staff can also be an obstacle when staff choose to attend such workshops. (Kristy Yeo (Parkes Early Childhood Centre), sub. 67, p. 2)

On the Mid-North coast [of New South Wales] with a number of isolated townships and a transient population there is significant challenge in the area of maintaining a casual pool of suitably qualified and experienced early childhood staff for children's services. (Southern Cross University and Early Childhood Australia (NSW), North Coast Branch, sub. 16, p. 11)

Teachers in remote settings in particular face issues and obstacles to their participation in professional development and communication with colleagues in the wider teaching community. Strategies to address these issues include time release, access to appropriate IT facilities and travel allowances to allow teachers to attend professional development activities. (Australian Education Union, sub. 69, p. 17)

Staff working in rural and remote children's services face additional challenges accessing training and development programs. These additional challenges include not having a peer or mentor in a geographically close location, often needing to undertake study externally or with no or limited face to face interactions, lack of easy access to study and library resources, and computer download speed and capacity in some rural and remote regions. (Community Child Care, sub. 63, pp. 14–15)

Where workers must travel to access training, they are absent from the workplace (and need to be replaced) for longer, adding extra cost to their professional development. This can make travelling for short training courses impractical or prohibitively expensive.

One method to improve access to qualifications is to increase access to recognition of prior learning (RPL). The Australian Government has recently increased its support for RPL, with the Child Care Reform Agenda Workforce package offering grants covering 75 per cent of the costs associated with accessing RPL for workers in rural and remote areas, up to a maximum of \$1125 per worker (Treasury 2011a). However, as discussed in chapter 10, there are some concerns about RPL being used in ways that do not promote the skills of the workforce. The Australian Education Union (sub. 69) also advised caution in the application of RPL. Nevertheless, Price and Jackson-Barrett (2009) demonstrated that RPL can yield positive results for workers in rural and remote areas when carefully administered.

While access and provision are major issues for training workers in rural and remote areas, specialised skill sets are also required in these areas — for example, skills in working with children with additional needs (Robert Schneider, sub. DR104; Townsville Multicultural Support Group, sub. 28). As discussed in chapter 14, Indigenous children experience greater disadvantage in early childhood development, and therefore there is greater demand for workers with skills in working with Indigenous children in rural and remote areas.

Potential policy responses to supply issues

Wages, allowances and other incentives

As is the case in urban areas, low wage rates can make employment in the ECEC sector relatively unattractive in rural and remote areas.

Generally in remote regions, wages are poor and offer little incentive to remain in the childcare workforce. (RRACSSU Central, sub. 42, p. 3)

Governments and employers have attempted to increase the attractiveness of work in rural and remote areas with a range of incentives and allowances (box 9.2). Study participants supported this approach. For instance, NIFTeY NSW noted that:

Incentives need to be made available to attract and keep qualified staff in areas where it is difficult to attract applicants ... in rural [and] remote areas. These need to be funded by Governments as local communities cannot support additional costs. It is also important for the quality of services to children so that those in low income or isolated areas do not end up with poorer quality programs due to the lack of, or turnover of, qualified staff. (sub. 36, p. 3)

Most of the current incentives are targeted at teachers, generally those employed by governments, and do not extend to ECEC workers as a whole. Considering the additional difficulties faced by employers in attracting degree-qualified teachers, targeting extra incentives at these workers may be appropriate.

There is considerable variety in the way incentive schemes are targeted and their terms. For example, the Western Australian district allowance is paid annually and only to government employees, while the Victorian incentive payment is made to any ECEC worker who meets eligibility requirements. These provide different incentives and will act to influence the decisions of ECEC workers in different ways.

Incentive schemes may include financial and non-financial components. When designing such schemes, governments should allow for flexibility to adapt to the varied needs of rural and remote communities. Community Child Care Co-operative considered that ‘a range of incentives and allowances should be offered as appropriate for individual communities’ (sub. DR183, p. 11).

With recruitment difficulties common to all jurisdictions, it is difficult to determine what impact the various incentive schemes are having. By offering such incentives, governments appear to consider that they have at least some effect on recruitment or retention in rural and remote areas. However, the Commission was unable to find evidence that the effectiveness of these programs has been evaluated, and their usefulness remains unclear. Even with the incentives in place, employers still note

difficulties in recruiting and retaining staff in rural and remote locations (see box 9.1).

Box 9.2 Additional incentives for rural and remote ECEC workers

Various jurisdictions offer specific incentives targeted at early childhood education and care (ECEC) workers who choose to locate in rural and remote areas. While some of these incentives apply to all ECEC workers, others apply only to preschool teachers, and generally only those employed by governments.

ECEC workers

Under the transition to the modern Children's Services Award (2010), workers covered by that award in Western Australia and the Northern Territory continue to be entitled to the payment of a district allowance until 2014. District allowances are amounts paid to workers in rural and remote areas to recognise supply difficulties that exist in those areas. The allowance varies depending on location. In Western Australia, district allowances range from \$5 to \$90 per week. In the Northern Territory, the allowance is paid at either \$6.70 or \$16.60 per week. The payment is taxable, and made in addition to the worker's regular wage.

Victoria offers an incentive payment to some ECEC workers who take up work in a hard-to-staff location. A payment of up to \$6000 is made available to diploma-qualified staff, while a payment of up to \$12 000 is offered to early childhood teachers. Workers taking up an ongoing position must remain in their role for at least two years after receiving the payment.

Early childhood teachers

The Australian Government offers a reduction of \$1744.81 of HECS-HELP debt to early childhood teachers who work in some rural and remote areas. The benefit is calculated on a weekly basis and credited annually, with teachers who remain in the designated areas for a full year receiving the full benefit and those who remain for shorter periods receiving less.

In Western Australia, state government staff in some rural and remote areas receive allowances and benefits of almost \$10 000 per year, plus assistance with relocation of up to \$15 000.

Preschool teachers employed by the Department of Education and Training in the Northern Territory are offered various incentives, including a 100 per cent rental concession, study leave, fares to Darwin or Alice Springs, remote incentive allowance, and other incentives worth more than \$5000 per year in some areas.

Sources: ATO (nda); DEEWR (ndd); DEECD (2010e); Productivity Commission estimates based on Department for Communities (WA), sub. 59; DET NT (2011a).

Many jurisdictions also have difficulties recruiting teachers for primary and secondary schools in rural and remote areas (box 9.3). In addition to financial incentives, non-financial benefits should be considered when providing incentives to workers to take up employment in rural and remote locations. In New South Wales, for example, teachers who fill a position in a rural or remote location for a specified period of time then become eligible for priority transfer to a school in a location of their choice (DET NSW nda). Such incentives have not been formally evaluated, but may be effective in government-operated preschools where staffing is centrally controlled.

Box 9.3 Rural and remote staffing in the school sector

The experience of primary and secondary schools in attracting qualified teachers to rural and remote locations has many parallels to that of preschools. The supply of school teachers is generally insufficient to meet demand in these locations (Hudson and Millwater 2009). Given that attendance at primary school is compulsory — while attendance at preschool is not — governments may choose to fill vacancies in primary schools before those in preschools, where teachers are qualified to work in either role.

The school teacher workforces in most jurisdictions have wages and conditions set by collective bargaining agreements, which generally specify district allowances for teachers located in rural and remote areas. In addition, some jurisdictions offer scholarships to students who then must teach in rural or remote locations (DET Queensland 2009; DET NSW ndb). Despite these incentives, shortages persist in schools in rural and remote areas.

The situation in relation to school teachers highlights the disincentives associated with working in rural and remote areas. An excess supply of school teachers exists in urban areas (Owen, Kos and McKenzie 2008). With some qualified teachers struggling to find employment in urban locations, the fact that vacancies persist in rural and remote areas demonstrates how undesirable they believe moving to a rural or remote location would be. This shows that even with large incentives on offer, teachers may still not be willing to relocate to rural and remote areas.

Bradley, Green and Leeves (2006) studied the effects of wages and district allowances on employment decisions by primary and secondary teachers in Queensland. They found that district allowances have a significant effect on the retention of female teachers in rural and remote locations. While the effect on retention is significant, district allowances have a lesser effect on recruitment. Therefore the cost effectiveness of district allowances as a measure for encouraging recruitment and retention in rural and remote areas was unclear.

Targeted recruitment

There is greater success in retaining ECD workers where they are initially recruited from the local community (Flaxman, Muir and Oprea 2009). This sentiment was supported by study participants.

The trend to higher and professional qualifications will have significant implications for already stretched staffing resources in many communities and especially remote communities. Critical to sustainability and quality of early childhood services in the longer term must be locally educated and recruited early childhood educators. (Professor Alison Elliott, sub. 70, p. 5)

Government could work with universities, particularly the regional universities, to develop incentive and support programs for students from rural and remote regions. (Early Childhood Teacher Education Council NSW, sub. DR162, p. 8)

In similar industries such as nursing, retention in remote areas is greater where a workforce is recruited from rural and remote backgrounds (Hegney et al. 2002). Incentives which encourage the training of ECEC workers drawn from the local population of rural and remote areas should therefore be explored. While yet to be evaluated, a focus on local recruitment of ECEC workers in these areas could be an efficient recruitment strategy.

By contrast, the Western Australian Department of Education has conducted a program of recruiting teachers at all levels from outside the jurisdiction. ‘Success has been demonstrated in the recruitment of staff from Tasmania and the United Kingdom in particular’ (sub. 44, p. 9). The success of such recruitment strategies may be dependent on the recognition of foreign qualifications, and on induction training, including in cultural competencies.

Delivering training in rural and remote areas

Training workers in rural locations increases the likelihood of those workers choosing employment in rural areas (McClure and Reeves 2004). Through the Australian Government’s University Departments of Rural Health program, medical schools have been operating rural health departments for more than 10 years. Medical students who study at these departments are more likely to enter rural practice on graduation, regardless of their rural or urban backgrounds (Tolhurst, Adams and Stewart 2006; Urbis 2008).

Deakin University is now extending this model to other health disciplines, including optometry, pharmacy, exercise science and sports science, through its Regional Community Health Hub (REACH). Attached to the Waurn Ponds campus (near Geelong), the \$47 million facility accommodates 1500 students and 172 staff. The

student selection process for courses run at this new centre will favour individuals from rural areas. The university's philosophy is that if students come from rural areas, and are trained in rural areas, they are more likely to take up employment there (Birks 2011).

While it would not be viable to build tertiary training institutions in all rural and remote areas, distance education is an option that can offer all residents of these areas opportunities to obtain ECEC qualifications, and allows students to maintain links with their local community (remote training delivery is further discussed in chapter 10). The North West Early Childhood Teacher Development Program in Western Australia (box 9.4) is one such program.

Box 9.4 The North West Early Childhood Teacher Development program

The North West Early Childhood Teacher Development program is offered by Murdoch University, in collaboration with the Western Australian Department of Education and Training and the Australian Government. The program trains early childhood education and care (ECEC) workers in the Pilbara and Kimberley regions of Western Australia to become early childhood teachers.

Students generally have a Certificate IV (Teacher Assistant) qualification, though some entering the program have diplomas and are given recognition of prior learning (RPL) for some units. RPL is also awarded where students can demonstrate that prior work experiences meet the objectives of specific units. All students continue to work part time or full time in ECEC services and generally undertake two units per semester. All learning is undertaken by distance education with academic staff visiting students infrequently.

Students receive scholarships of \$10 000 each over the length of the program. The program also arranges mentoring support from local teachers. Students select a mentor teacher from their community who is then paid to assist the student on a regular basis.

There have been two intakes of students, 10 in semester one 2009, and 11 in semester two of that year, that were funded by the Western Australian Department of Education and Training and the Department of Education, Employment and Workplace Relations respectively. The program has been successful in facilitating the training of new teachers in rural areas, where the participants would normally not have considered university study as an option. Despite positive evaluations of the program, further funding for additional intakes has not been forthcoming.

Sources: Price and Jackson-Barrett (2009); Jackson-Barrett et al. (2009).

Pre-service experience in rural and remote areas

When making a decision about whether or not to take a permanent job in a rural or remote area, city-based workers face significant uncertainty. They may be unsure about conditions in these areas, and whether they can cope with the change of lifestyle. If such a person is risk averse, they might decide against moving simply because they do not have enough information. Similarly, if a person is less risk averse, they may choose to move to a rural or remote area, then remain only for a very short period of time if they find they cannot cope in the area. This suggests that a lack of information can contribute to recruitment difficulties or costly staff turnover in rural and remote areas. Therefore, giving ECEC workers opportunities to temporarily experience working in a rural or remote ECEC service may increase recruitment in these areas, and lead to lower turnover.

Rural experience programs have already been tried successfully in primary and secondary schools, and may be useful to replicate in ECEC. For example, the ‘Over the Hill’ program allows pre-service teachers to experience living and teaching in rural and remote areas. Student teachers are billeted with local families, participate in community activities, and teach or assist at a local school. On completion of the program, many participants expressed a greater willingness to take up a position in a rural or remote area (Hudson and Millwater 2009). Though untested, a similar program for ECEC teachers may have comparable beneficial effects.

A scholarship scheme needs to be introduced to encourage [early childhood] educators to go to rural and remote areas for professional experience whilst at university. Additional scholarships for Indigenous early childhood educators could encourage students from remote areas to upskill and return to their communities. (University of Newcastle Early Childhood Programs, sub. DR160, p. 3)

There are significant financial and other costs for students associated with a rural placement. Halsey (2009) estimated the financial costs of a 26-day placement at approximately \$2500 per student. This amount includes lost income of approximately \$1000.

A combination of the measures discussed above may prove effective in addressing rural and remote ECEC workforce issues. Study participants were supportive of these measures. For example, SNAICC considered that ‘developing a capacitated local workforce is the most sustainable and effective strategy for the provision of ECEC services in rural and remote areas’ (sub. DR279, p. 10).

To meet the workforce goals of the COAG ECEC reforms, rural and remote areas will need to attract and retain more workers. Governments should assess the cost effectiveness of existing incentives aimed at increasing recruitment and retention in rural and remote areas. These incentives should be compared against alternative strategies such as:

- *targeted recruitment of workers from rural and remote backgrounds*
- *the delivery of training in rural and remote locations*
- *support for pre-service teachers to experience working life in rural and remote areas.*

Housing supply in remote areas

A lack of suitable housing impacts negatively on labour supply in remote locations. The stock of housing is often inadequate, and the housing which does exist is often of poor quality. This has been apparent for several decades, and contributes to social and economic problems in those areas (Haslam McKenzie 2007; Pendergast, Lambert and Eringa 2004). The shortage of appropriate housing in remote areas is more prevalent in some jurisdictions, such as Western Australia and the Northern Territory (Child Australia, sub. DR168), than in others, such as New South Wales (Community Child Care Co-operative, sub. DR183).

Like other workers, ECEC workers require access to an appropriate standard of housing. This includes ECEC students undertaking placement as part of their course. In the absence of such housing, they will be reluctant to remain in the area, and their professional performance may be adversely affected. For example, the Australian Education Union considered that ‘overcrowding in remote area housing makes it difficult [for some workers] to find a quiet space to plan and prepare work’ (sub. 69, p. 14). Those workers contemplating taking up a position in such an area will also be less likely to do so if adequate housing is unavailable.

Study participants were vocal about the effects of inadequate housing in remote locations on the ECEC workforce.

Lack of available, adequate and/or affordable housing in regional, rural and remote WA and NT severely restricts ECEC service delivery ... It limits sector capacity to develop and implement innovative rural career development and secondment opportunities, or attract potential long or short term candidates. In the north of WA in particular, the labour market is very tightly driven by the demands of the resource and mining industries. Attraction and retention of staff is ... made significantly worse by housing shortage. (Child Australia, sub. DR168, p. 5)

In rural and remote areas, access to teacher accommodation is another issue which impacts on the ability to attract and retain staff. Indigenous and non-Indigenous members of the AEU report difficulties in accessing teacher accommodation if they are living and working in [remote] communities due to state and territory education department regulations. (Australian Education Union, sub. 69, p. 14)

Access to housing in remote and very remote communities is a significant limiting factor for the delivery of government programs. Government agencies or service providers generally either have to provide housing for staff or recruit from the limited labour pool within the community. [In the MacDonnell Shire in the Northern Territory] only one community had a dedicated house for the childcare team leader. The remaining team leaders occupied share accommodation. The limited availability of accommodation contributes to the turnover of staff in remote and very remote communities. (ANAO 2010, pp. 52–53)

A mining company in a Pilbara town has withdrawn its contribution to housing costs for the child care coordinator, resulting in the centre needing to increase its revenue by approximately \$1000 per week to meet the rental cost for the staff member. This has resulted in child care fees increasing from \$375 to \$450 per place per week. (Department for Communities (WA), sub. 59, p. 3)

The inadequacy of housing in remote areas is brought about by poor access to construction products and services. As a result, housing costs — including construction, maintenance and rental — are significantly higher in remote areas of Australia than in regional and urban areas (box 9.5). Housing provision in remote locations is generally undertaken by state, territory, and local governments. Where mining operations exist, housing is sometimes provided by mining companies.

Because of the difficulty or impossibility of obtaining housing through private markets in remote areas, and the importance of housing to the attraction and retention of staff, the Commission considers that, in order to achieve the goals of the COAG ECEC reforms for children in remote areas, employers should ensure that housing is available to all ECEC staff in these areas.

Box 9.5 Housing costs in remote areas

There are very few data relating to housing costs in remote areas. The best available data comes from Indigenous community housing organisations (ICHOs) and State owned and managed Indigenous Housing organisations (SOMIHs), which manage housing provision for rural and remote Indigenous communities. Estimates of the average construction cost for a three bedroom dwelling in remote and very remote areas range between \$216 000 and \$544 300. The costs are between 65 and 85 per cent higher than those for similar dwellings in major cities and regional areas.

Maintaining existing housing is also costly. Average annual maintenance costs for dwellings managed by ICHOs in remote and very remote areas are estimated to be \$3150 per dwelling. This is approximately 25–40 per cent higher than maintenance costs in major cities and inner regional areas.

Private rental markets have been established in some remote mining communities where mining companies undertake provision of housing. Rental costs in these communities are several times higher than in major cities or regional areas. For example, average weekly rental costs in Karratha are \$800 for a one-bedroom dwelling, and \$1408 for a three-bedroom dwelling. This compares to rental prices for similar dwellings in Melbourne of \$425 and \$931.

Sources: Hall and Berry (2006); Johns (2009); Pilbara Development Commission (2011); Suburb View (nd).

In practice, this is likely to mean that governments, as employers or funders of ECEC services, will need to increase their contribution towards staff housing. However, in some areas, private employers may be best placed to supply housing assistance, such as that provided by a large resource company in Western Australia (Department for Communities (WA), sub. 59). In some locations, governments may only need to contribute towards rental costs, while in others, governments may need to provide for the construction of housing. While recognising that complex land tenure issues in some remote areas impede the construction of new housing (CGRIS 2009), the Commission nevertheless considers appropriate housing provision for ECEC workers to be necessary for the provision of services and the attraction and retention of staff.

RECOMMENDATION 9.2

To attract and retain sufficient staff to achieve the goals of the COAG ECEC reforms for children in remote areas, governments should provide all ECEC workers in remote communities with timely access to appropriate housing at reasonable cost, including housing for students undertaking placement.