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A photograph of a woman with wavy brown hair, wearing a light purple sweater, sitting at a yellow table. She is looking down at two young children. On the left is a toddler girl with blonde hair and a pink bow, wearing a pink cardigan. On the right is a toddler boy with blonde hair, wearing a white and black striped shirt. They are playing with colorful wooden blocks and toys on the table. The background is a blurred indoor setting, likely a childcare center.

MARANOA AND WESTERN DOWNS CHILDCARE STUDY

FINAL REPORT

MARCH 2023

ABOUT THE REGIONAL AUSTRALIA INSTITUTE

Independent and informed by both research and ongoing dialogue with the community, the Regional Australia Institute (RAI) develops policy and advocates for change to build a stronger economy and better quality of life in regional Australia – for the benefit of all Australians. The RAI was established with support from the Australian Government.

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EXECUTIVE SUMMARY

Regional Australia is already recognised as an attractive place to live and work. It has a highly mobile population. While people choose to move or stay in regional areas for economic and employment related reasons, other factors influence their mobility decisions such as the 'liveability' of the location.

The importance of liveability has become increasingly recognised across Australia as central to community and regional planning. Access to, and the availability of childcare is a key factor.

According to research by the Mitchell Institute, 3.7 million regional Australians live in a 'childcare desert' - a region where there are three children per childcare place. A key finding of that research was that childcare deserts are disproportionately located in rural and regional areas, with towns of less than 1,500 the most at risk of a lack of childcare.

The challenge facing the provision of childcare is its market-based nature – which, despite increased government assistance through the Child Care Subsidy, is not a government provided service. As such, the provision of childcare in many rural and remote communities is sitting within market blackspots of economic feasibility and increasing demand.

This study, funded by Origin Energy as Upstream Operator of Australia Pacific LNG, and conducted by the Regional Australia Institute (RAI), has focused on the accessibility, availability, affordability and quality of childcare and the subsequent impacts on workforce participation, liveability, population attraction and retention in the Maranoa and Western Downs Local Government Areas (LGAs) in South-West Queensland.

Importantly, the purpose of this study has been to collate evidence on the operation of childcare and provide it back to these two communities, to facilitate further discussion.




KEY FINDINGS OF THIS STUDY INCLUDE:

- In comparing the two LGAs, our review of childcare places indicates that the Maranoa has more possible centre-based, long day care places per child aged 0 to 4 years, 39%, in comparison to the Western Downs with only 22%.
- On average, wait times across the two LGAs are similar. However, for childcare users currently accessing care in the Maranoa, the largest proportion waited between four and six months, while in the Western Downs it was 12 months or more.
- 45% of current childcare users accessing care in the Maranoa reported that the hours they are accessing are not enough, whilst it is 49% in the Western Downs.
- 48% of childcare users accessing care in the Maranoa would like to be able to access different days, different hours or both, whilst in the Western Downs it is 65%.
- Across the two LGAs, childcare users are most concerned about the available childcare places, waitlist times and the number of childcare providers.
- Childcare users, both past and present, most commonly highlighted that a lack of flexibility of childcare impacts their ability to go back to work, to work more hours and achieve financial stability.
- From a cost perspective, on average, childcare users rated the manageability of their out-of-pocket expenses 3.2 out of 5 (with 5 being very unmanageable).
- In terms of quality, childcare users accessing care in the Maranoa rated the care they were accessing, on average, 3.8 out of 5, whilst those accessing care in the Western Downs rated quality of care 3.6 out of 5. The most significant quality concerns are staffing turnover and staff ratios.

THE AVAILABILITY AND ACCESSIBILITY OF CHILDCARE

Of all children in the Maranoa LGA between 0-to-4 years (849), the long day care services can only accommodate 39%. Western Downs has 2,219 children in this age bracket, with its services able to accommodate 23% of children (this is not including family day care places, and assumes each place was filled by a child on a full-time basis).

However, this study has identified that childcare in the Maranoa and Western Downs is a complex arrangement of services, operating in thin markets. The markets within these two LGAs can be categorised into three typologies:

<p>LIMITED CARE</p>	<p>Small population towns which do not have centre-based long day care, but may have a kindergarten and/or family day care. (Bell, Jandowae, Wandoan, Condamine, Drillham, Dulacca, Glen Morgan)</p>	
<p>COMBINED CARE</p>	<p>Towns with a kindergarten and long day care combined service. (Tara, Injune, Mitchell, Surat)</p>	
<p>ESTABLISHED CARE</p>	<p>Towns with a mix of centre-based long day care, kindergarten and family day care options. (Roma, Chinchilla, Miles, Dalby)</p>	

Understanding the provision of childcare from this perspective helps to identify the demand and supply themes more accurately in each place, and more specifically address them. The application of typologies allows these issues and recommendations to be applicable across different regions.

Whilst population appears to be increasing in both the Western Downs and Maranoa, the absolute number of 0- to 4-year-old children is not. There is also no significant upward trend in the Total Fertility Rate (TFR) for these two LGAs, although both have higher TFRs than Queensland more broadly.

However, there has been an increase in the number of people accessing childcare in the region, which together with this population data and qualitative data collected in this study, indicated that demand for childcare is growing and is likely being driven by changing societal expectations regarding access and workforce participation.

Noting the thin nature of these markets, and overall lack of total childcare places in the Maranoa and Western Downs LGAs in comparison to the number of childcare aged children, it is expected that any change in demand could have significant impacts on the current provision of service, particularly in Limited Care and Combined Care towns which have extremely limited access to long day care places.

THE IMPACTS

The ability to work more hours is the number one concern childcare users have in this region due to limited access to childcare services. The ability to go back to work at all is also a significant issue for respondents of the survey in the Western Downs (see Figure 10). Some have indicated that the lack of childcare hours is impacting their health and wellbeing.

An issue for the Maranoa and Western Downs is the need for flexible arrangements to suit work schedules. The Maranoa and Western Downs LGAs are home to not only a range of shift workers such as nurses, paramedics and police officers, but also those working in the resources sector on swings. Across these workforce groups are a range of schedules, including overnight, early morning and evening shifts, as well as two week on, two week off swings.

Centre-based care options provide services anywhere from 6am to 6:30pm across the two LGAs, with the longest day 12.5 hours. Family day cares tend to operate within the same hours or as they choose. However, outside of private in-home arrangements, there does not appear to be any services that could specifically provide care for shift workers outside of these hours, including on weekends.

The quality of childcare in the Maranoa and Western Downs has not been assessed from the perspective of the ACECQA National Quality Framework, but rather from the perspective of childcare users. Overall, users are happy with the care their children are getting but are concerned about staffing levels and turnover. What also came to light through the qualitative data about quality more generally, was the inability for childcare users to choose a provider based on quality. As with choosing based on affordability, childcare users feel that they have to take whatever place they can get.

THE CHILDCARE WORKFORCE

Interviews with educators and industry stakeholders consistently identified staffing as the most significant issue in providing childcare in the Maranoa and Western Downs and across all three childcare typologies.

While the number of people employed in childcare occupations has increased in the Maranoa and Western Downs, so too has the demand for workers. Job vacancies for Child Carers in Queensland more than doubled from 520 vacancies, to 1,208 from September 2020 to September 2022. In both LGAs this report found very limited ability for childcare providers to access any relief educators to cover sick days, holidays, and training. The result is children are sent home when staff shortages arise. Concerns around wage levels and the impact of COVID-19s have also been cited as key issues in this study.

However, the study found that there is currently 1.8 people with relevant childcare qualifications for every person employed in the sector in the Maranoa and Western Downs, presenting an opportunity to support the sector through workforce re-engagement.

RECOMMENDATIONS

Recommendations made in this report seek to draw on State and Federal Government initiatives, while promoting a regional multi-stakeholder response from government, community, industry and business, recognising the different needs of each specific region (or typology as above).

The recommendations do not explore the commercial feasibility of setting-up new childcare centres, but rather focus on factors that may strengthen the region's childcare market.

These recommendations also focus on the needs of the region from the perspective of the three childcare typologies. For towns in the Limited Care typology, support to transition childcare service to long day care and develop more family day care is recommended. Maintaining key services and the development of more family day care services is a key element for Combined Care towns. For the final typology, Established Care, this report recommends the need to support staff and grow services to meet demand.

This report makes the following recommendations:

1. Develop a regional workforce strategy for the childcare industry in the Maranoa and Western Downs with key stakeholders including government, community and business groups - with a focus on wages, staff retention, developing a local pipeline of workers, housing, visas and labour agreements and advocacy and research.
2. Develop a relief pool of childcare workers.
3. Promote and provide start-up support for family childcare providers.
4. Identify and support the fit-out of community owned houses for family day care.
5. Where appropriate, support kindergartens to transition to provide long day care.



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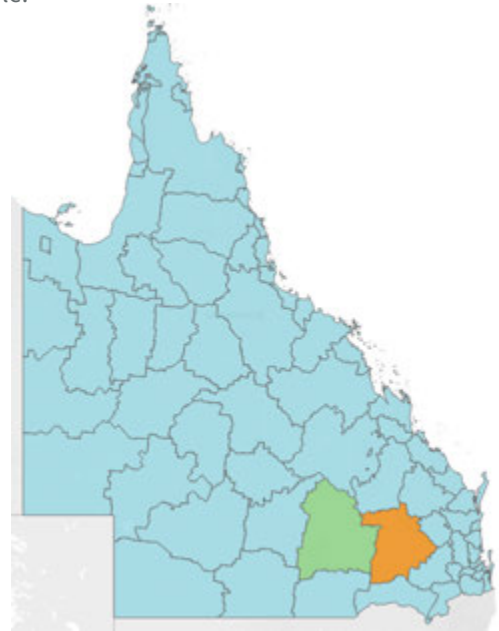
INTRODUCTION

To facilitate discussions and identify opportunities, Origin Energy as Upstream Operator of Australia Pacific LNG has funded the Regional Australia Institute (RAI) to undertake this study across the Maranoa and Western Downs Local Government Areas (LGAs) in South-West Queensland. Access to affordable and high-quality childcare is an important component of the liveability of all communities. Feedback received by Origin Energy from employees and community members has identified that childcare in the Maranoa and Western Downs is a concern for many people.

The study has investigated the current childcare options and developed a range of recommendations that seek to support sustainable, high-quality childcare in the Maranoa and Western Downs for local residents and people moving into the regions in the future. Importantly, the purpose of this study has been to collate evidence on the operation of childcare and provide it back to these two communities, to facilitate further discussion.

The scope of the study has been the availability, accessibility, affordability and quality of childcare within these LGAs, with a particular focus on the impacts on workforce participation, liveability and population attraction and retention. Impacts on children in relation to the provision of early childhood education are beyond the scope of this study, which has sought to understand how childcare operates in these places from a regional perspective. The study primarily focuses on formal long day care offerings, with some data also collected around out-side school hours care, vacation care and informal care arrangements.

Formal childcare arrangements include:



CENTRE-BASED CHILDCARE	FAMILY DAY CARE	IN-HOME CARERS	KINDERGARTENS
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In Queensland, kindergarten is a part-time education program (provided in kindergartens, long day care services or limited hours care services) for children who turn four in the year prior to their first year at school (prep) – often they attend five days per fortnight. Kindergarten is not considered long day care, however in a range of towns in these two LGAs discussions about the provision of childcare could not be separated from the provision of kindergarten, as it is either the only option or the foundation of care in that place. As such, whilst this study does not provide a review of kindergarten arrangements, it does take into consideration its role, challenges and opportunities in the Maranoa and Western Downs.

Data collection for the study was undertaken via a survey of current and previous childcare users which provided both quantitative and qualitative data on their experience and use of childcare. This was supplemented by further qualitative data collected via community forums and interviews with childcare educators, trainers and organisations and local and state government. The data collected has been combined with demographic and childcare data to provide a summary of the key trends in childcare in this region.




DATA COLLECTION METHOD	NUMBER	PARTICIPANTS
Online Survey	216 respondents	Survey respondents
Face to face and Phone Interviews	26 interviews	Educators and industry stakeholders
Community Forums	15 forums with 46 participants	Forum participants

THE AVAILABILITY AND ACCESSIBILITY OF CHILDCARE

CHILDCARE IN TOWNS: TYPOLOGIES

Availability and accessibility of childcare in the Maranoa and Western Downs LGAs speaks to both the number of places available and the associated waitlist, the existence of long day care, the availability and flexibility of hours, and choice for families in the childcare services they access. The number of available childcare places and the associated staff required to provide those places are core to the issue, however the thin nature of the childcare markets in these two LGAs means that there are significant underlying issues affecting availability and access that may not be so strongly present in urban markets.

While the provision of childcare in the Maranoa differs from the Western Downs, differences between towns and localities within each LGA are equally as informative. As such, it is important to consider the geographic and demographic nature of the various childcare markets in the Maranoa and Western Downs by considering the different types of towns within this region. It has been found that childcare provision across this region can broadly be classified into three typologies (see Table 1).

 <p>LIMITED CARE</p>	 <p>COMBINED CARE</p>	 <p>ESTABLISHED CARE</p>
<p>Bell, Jandowae, Wandoan, Condamine, Drillham, Dulacca, Glen Morgan</p>	<p>Tara, Injune, Mitchell, Surat</p>	<p>Roma, Chinchilla, Miles, Dalby</p>

Limited Care towns are characterised by a lack of any centre-based long day care but may have a kindergarten and/or family day care. They have small populations and are often within proximity to a larger centre, distance to which is often too close to allow for further service development in Limited Care towns but too far to allow for easy access for families.

Established kindergartens represent an opportunity to increase the scope of services in a town to provide long day care. However, they will need support to achieve this. There also needs to be a focus on increasing family day care options.

Combined Care towns are those with a kindergarten and long day care combined service. These places generally appear to have some availability in their services. They have the infrastructure for a long day care centre and kindergarten, but often have issues with managing demand peaks and troughs which can affect viability.

It is important to maintain these services and infrastructure as they are difficult to replace if lost. There also needs to be a focus on increasing family day care options to support child-care provision in these places.

Established Care towns have a mix of centre-based long day care, kindergartens and family day care options operating in the market. This reflects the active childcare market – they are larger places and appear to have significant demand on childcare services, constrained by staff shortages and/or physical space limitations.

<p>KEY NEED</p>	<p>KEY NEED</p>	<p>KEY NEED</p>
<p>Support to transition to long day care and develop more family day care</p>	<p>Support to maintain services and develop more family day care</p>	<p>Support to staff and grow services to meet market demand</p>

The LGA structure shapes the spread of typologies within the LGA. The Maranoa is characterised by a single, central administrative hub of Roma, with outlying, smaller towns such as Mitchell, Injune and Surat forming the spokes. Intertwined with these are smaller localities, such as Wallumbilla. Roma is an Established Care town, whereas Mitchell, Injune and Surat are Combined Care towns – there does not appear to be any Limited Care towns in this LGA.

In comparison, the Western Downs is characterised by two significant administrative centres: Chinchilla and Dalby, which together with the town of Miles, form the three Established Care places in the LGA. These three towns are surrounded by a number of smaller towns, which, depending on proximity and size, are either Limited Care or Combined Care towns. For example, Tara is considered a Combined Care town, while Condamine, Jandowae and Wandoan are considered Limited Care places.

Understanding the provision of childcare from this perspective helps to identify the demand and supply themes more accurately in each place, and more specifically address them. Whilst it is acknowledged that a place is more likely to address some of these issues from a local government or regional perspective, the application of typologies allows these issues and recommendations to be applicable across different regions. Further, a recommendation addressing the needs of Limited Care towns will not necessarily be appropriate or effective in Established Care towns and so forth, but a region or LGA may still require actions that support all three typologies.

THE RATIO OF CHILDREN TO CHILDCARE PLACES

In 2022, the Mitchell Institute released significant research on the availability of childcare across Australia – categorising regions into childcare deserts and oases. A key finding of this research was that childcare deserts are disproportionately located in rural and regional areas, with towns of less than 1,500 the most at risk of a lack of childcare. As outlined in Table 4, this research highlights that Chinchilla in the Western Downs has the lowest proportion of places to children in the region, whilst Surat in the Maranoa has the highest. This research highlights that while Chinchilla is an Established Care town, with a larger population and a range of childcare options (comparatively speaking), it appears to be the worst off in terms of childcare supply.¹

Our own review of the Australian Children’s Education and Care Quality Authority (ACECQA) website indicates that centre-based services in the Maranoa and Western Downs are approved to provide the following long day care places across the different towns (using the Urban Centres/Localities geography)¹ – as outlined in Table 4. These do not include family day care (for which data is not available) and stand-alone kindergarten places, or outside school hours care services. As such the following data is only a guide to the long day care needs of each place. Further, some centres are primarily kindergartens and must first offer places to kindergarten-aged children, subsequently limiting the number of long day care places available, and reducing the accuracy of this analysis of long day care places.

To understand the scale of need, it is helpful to review trends in the number of children in the region. In comparing the two LGAs, our review of childcare places indicates that the Maranoa has more possible centre-based, long day care places per child aged 0 to 4 years, 39%, in comparison to the Western Downs with only 22%. In both LGAs, the number (absolute and as a proportion of the population) of 0 to 4 year-old children has declined in each Census period, from 2011 to 2021. In the Western Downs, this is despite overall population growth from 2011 to 2021. In the Maranoa this is in line with population decline over the same period (Figure 1).

Trends in the number of children in the region are related to the Total Fertility Rate (TFR)^{II} and number of births. The TFR in the Western Downs LGA has generally declined between 2013 and 2021, from 2.61 to 2.24, whilst the number of births has risen and fallen with no specifically discernible pattern (see Figure 2). However, for the Maranoa, the TFR declined until 2018 and climbed again, ultimately staying between 2.4 and 2.6 from 2013 to 2021. Births followed a similar pattern of decline and then growth. Importantly, the TFR for both LGAs is well above that of Queensland as a whole, indicating that demand for childcare and other child related services may be disproportionately greater in these and other similar regions.

Birth and fertility rates have been variable, and as Table 2 shows the number of children under four years old in the region has been falling. While this might point to a long term decline in the demand for day care places across both LGAs, data from the Department of Education, interviews, forums and our survey have highlighted the opposite, as well as a range of reasons for why this might be.

Data from the Department of Education (the Department) regarding the number of children and families using day care in the SA3 regions of Darling Downs (West)-Maranoa and Darling Downs-East (the two SA3 regions in which the Maranoa and Western Downs LGAs are located^{III}), indicates that demand for childcare has grown. As outlined in Table 3, the number of children (aged 0 to 5 years) using day care across these two SA3 regions has grown by 4% from 2020 to 2022 and the number of families by 5% over the same period. At the same time, there has been the addition of one new service in the two regions, although this may be outside of these two LGAs^{IV}. This is noting that childcare use peaked in 2021 which the Department attributes to COVID-19 policies. Together, this data raises an interesting question about the experiences of childcare users (or those who would like to be): what is driving demand for childcare places if not growth in the 0 to 4 years age group in these two LGAs?

I. Urban Centres and Localities (UCLs) represent areas of concentrated urban development with populations of 200 or more. UCLs have been used in this study to more accurately reflect the towns present in the two LGAs.

II. Total fertility rate is the number of births per woman.

III. Darling Downs – East SA3 also includes the Western Downs and Toowoomba LGAs; Darling Downs (West) – Maranoa SA3 includes the Maranoa, Western Downs, Balonne, and Goondiwindi LGAs.

IV. Services include Centre-based Day Care, Family Day Care and Outside School Hours Care

Table 2 0 to 4 year old population 2011 to 2016

LGA	2011 CENSUS NUMBER AND % OF 0 TO 4 YEAR OLD CHILDREN		2016 CENSUS NUMBER AND % OF 0 TO 4 YEAR OLD CHILDREN		2021 CENSUS NUMBER AND % OF 0 TO 4 YEAR OLD CHILDREN	
	Number	%	Number	%	Number	%
Maranoa	1,068	8.2%	992	7.8%	849	6.6%
Western Downs	2,520	8.0%	2,393	7.2%	2,219	6.6%

Source 1 ABS, Regional Australia Institute

Table 3 March 2020 to March 2022 Darling Downs (West)-Maranoa and Darling Downs-East child care use and services

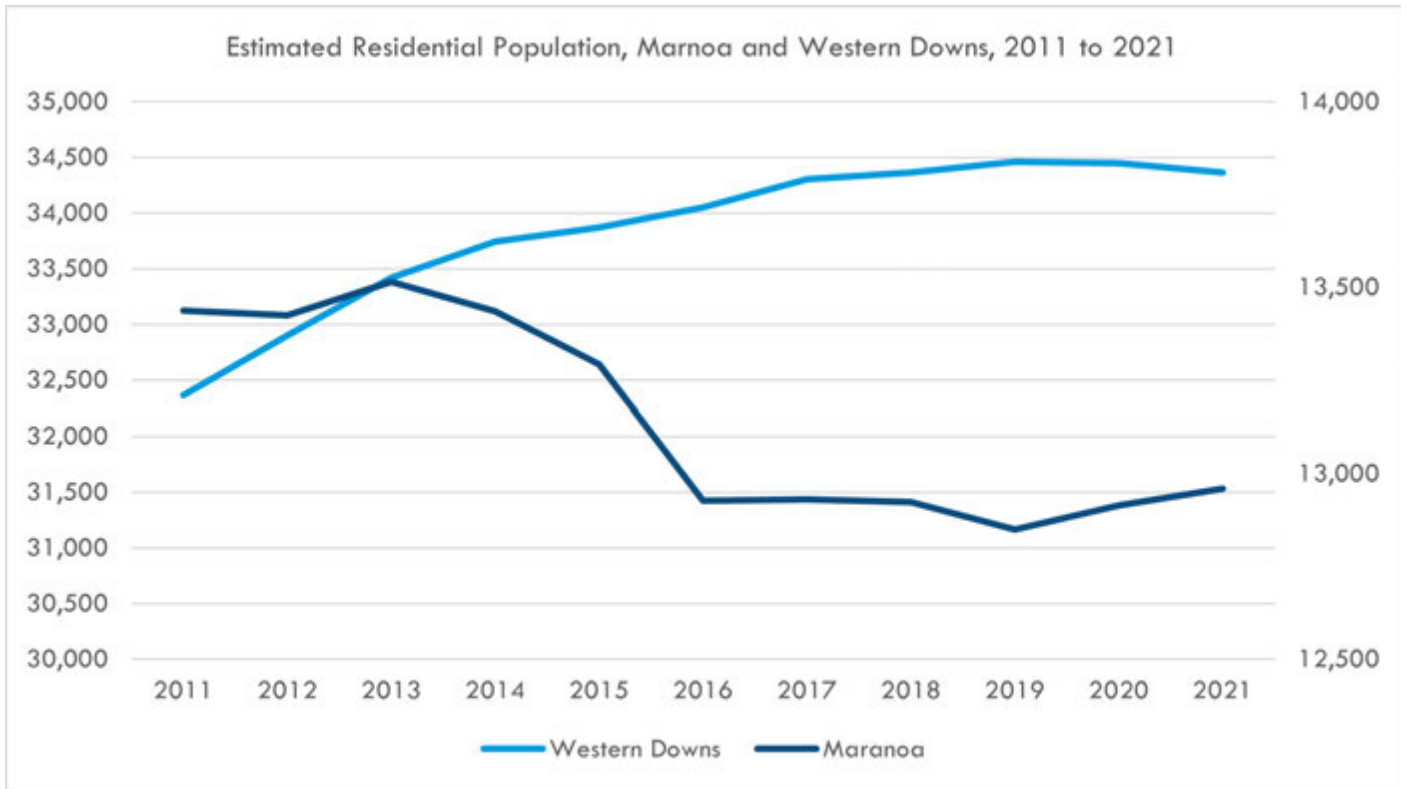
QUARTER	NUMBER OF CHILDREN – (0 – 5 YEARS)	NUMBER OF CHILDREN - 6+ YEARS	NUMBER OF CHILDREN - TOTAL	NUMBER OF FAMILIES	NUMBER OF SERVICES
March 2022 qtr	2,170	870	3,040	2,110	40
March 2021 qtr	2,260	930	3,190	2,190	39
March 2020 qtr	2,080	800	2,880	2,010	39

Source 2 Department of Education, Regional Australia Institute

Table 4 Proportion of centre-based long day care places to 0 to 4 year old population 2021 and Childcare Deserts and Oases

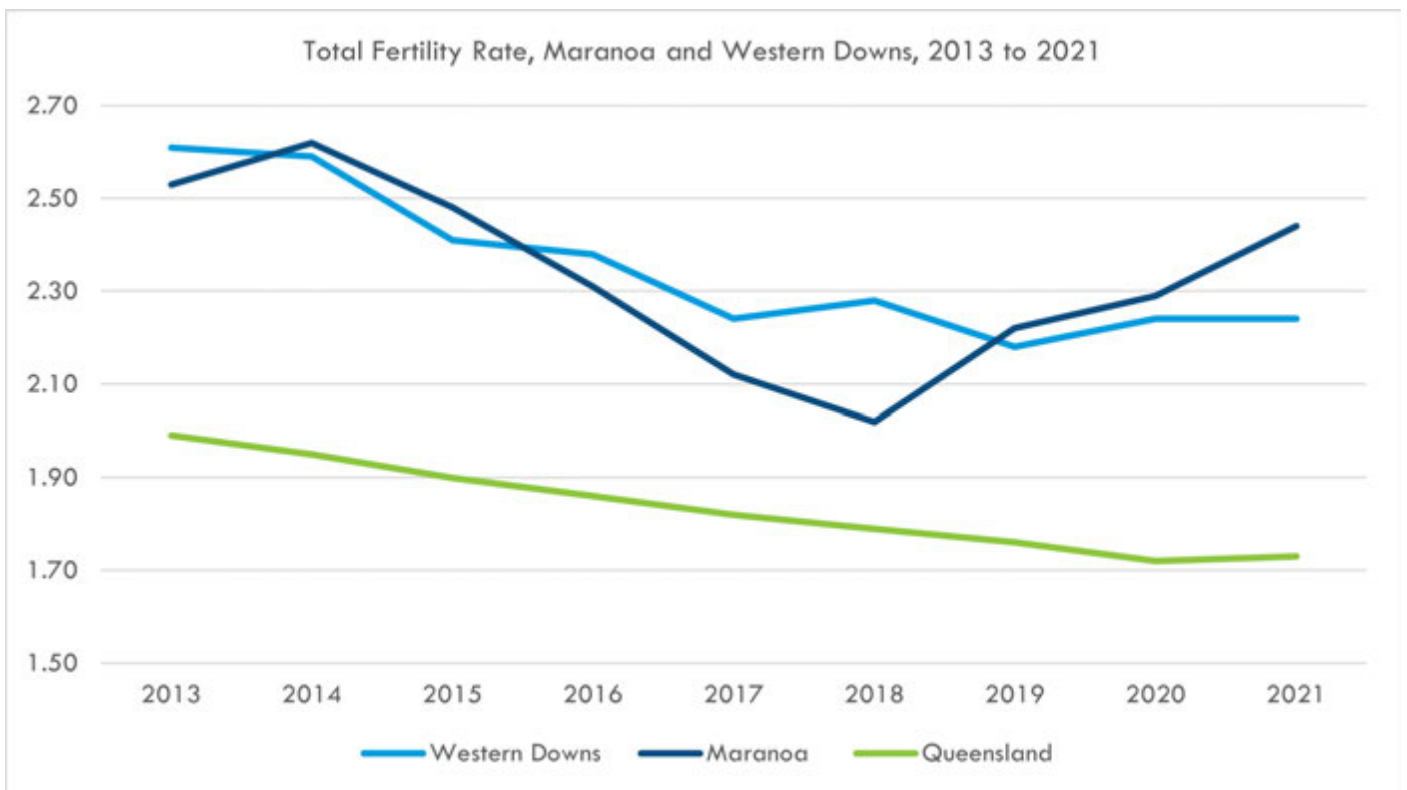
RAI ANALYSIS				MITCHELL INSTITUTE ANALYSIS	
LGA/ UCL	Possible centre-based, long day care places	0 to 4 year old children (2021) (UCL/LGA)	% of places to 0 to 4 year old children in the UCL/LGA	Childcare Deserts and Oases – Proportion of children to places	Childcare Desert and Oases Neighbourhoods
Maranoa	328	849	39%		
Injune	20	20	100%	In Injune between 0 and 1.25 children compete for each childcare place, depending on the neighbourhood.	2 neighbourhoods, 0 childcare deserts 2 childcare oases (100%)
Mitchell	29	43	67%	In Mitchell between 1.71 and 1.71 children compete for each childcare place, depending on the neighbourhood.	4 neighbourhoods, 0 childcare deserts 3 childcare oases
Roma	250	455	55%	In Roma between 1.96 and 2.88 children compete for each childcare place, depending on the neighbourhood.	19 neighbourhoods, 0 childcare deserts 0 childcare oases
Surat	29	25	116%	In Surat between 0.66 and 0.66 children compete for each childcare place, depending on the neighbourhood.	1 neighbourhoods, 0 childcare deserts 1 childcare oases (100%)
Western Downs	485	2,219	22%		
Chinchilla	104	462	23%	In Chinchilla between 4.88 and 6.39 children compete for each childcare place, depending on the neighbourhood.	14 neighbourhoods, 14 childcare deserts (100%) 0 childcare oases
Dalby	282	793	36%	In Dalby between 2.29 and 4.06 children compete for each childcare place, depending on the neighbourhood.	34 neighbourhoods, 13 childcare deserts (38%) 1 childcare oases (3%)
Tara	44	33	133%	In Tara (Qld) between 0 and 1.92 children compete for each childcare place, depending on the neighbourhood.	6 neighbourhoods, 0 childcare deserts 5 childcare oases (83%)
Miles	55	71	77%	In Miles between 0 and 2.82 children compete for each childcare place, depending on the neighbourhood.	5 neighbourhoods, 0 childcare deserts 3 childcare oases (60%)

Figure 1 Estimated Residential Population, Maranoa and Western Downs, 2011 to 2021



Source 4 ABS, Regional Australia Institute

Figure 2 Total Fertility Rate, Maranoa and Western Downs, 2013 to 2021



Source 3 ABS, Regional Australia Institute

It is also important to consider the intra-regional dynamics of childcare provision, which is far from an equal spread across the towns in each LGA. Our review of childcare places indicates that, from the perspective of the three childcare typologies, the provision of childcare is uneven across the two LGAs.

Limited Care towns have no centre-based long day care. On the other hand, Combined Care towns often appear to have enough places for the number of 0 to 4-year-old children in each place (between 67% and 133%); however, noting the requirement of these centres to prioritise kindergarten aged children and the small populations of these towns, the balance between the supply and demand of childcare places is precarious. Combined Care towns can experience significant peaks

and troughs in demand if more children are born in the preceding years and a couple of new families move to the area. It is also unlikely that this data accounts accurately for the children living outside these set geographic regions and more transient families that have moved through the region in between Census periods.

In comparison, Established Care towns appear to have a lower proportion of places to 0 to 4 year old children, between 23% and 77%. This is in line with qualitative data which indicates that centres and some family day cares could fill their places several times over. Although, noting the availability of stand-alone kindergartens and the smaller ratio requirements for younger children, in some instances there appears to be more availability for older children, than for babies and toddlers.

The absolute availability of childcare places is an important consideration in relation to understanding childcare demand and supply, but so is the distribution. As such, addressing childcare supply from an LGA perspective may be unequal and not recognise the different needs and starting points of each town. For example, in the development of its 10-year community plan, Wandoan (located in the Western Downs LGA and considered a Limited Care town) identified a lack of childcare as one of its top weaknesses, and therefore one of its top priorities². Wandoan has a kindergarten but no centre-based or family long day care.

The community's report highlighted that:



... there is an identified need to establish a formal childcare centre at Wandoan. An earlier community survey suggests there are up to 50 children that could use places if one was operating. The Australian Federal Government runs several grants that provide funds towards the development of a community childcare facility which should be investigated further.”

While Combined Care and Established Care towns have established centre-based long day care markets to build on, Limited Care towns such as Wandoan, have to start from a lower base. In the case of Wandoan, this base is the presence of infrastructure in the form of a kindergarten. It is evident from this report that funding would be needed to leverage this existing infrastructure and/or develop a new childcare offering in Wandoan.

THE WAITLIST

There is a challenge in accurately quantifying the waitlists for childcare as qualitative data indicates that children are often placed on more than one waitlist – if not every waitlist in town – in the hopes of accessing a place when needed. As such, a calculation of the waitlist in each place would be highly distorted.

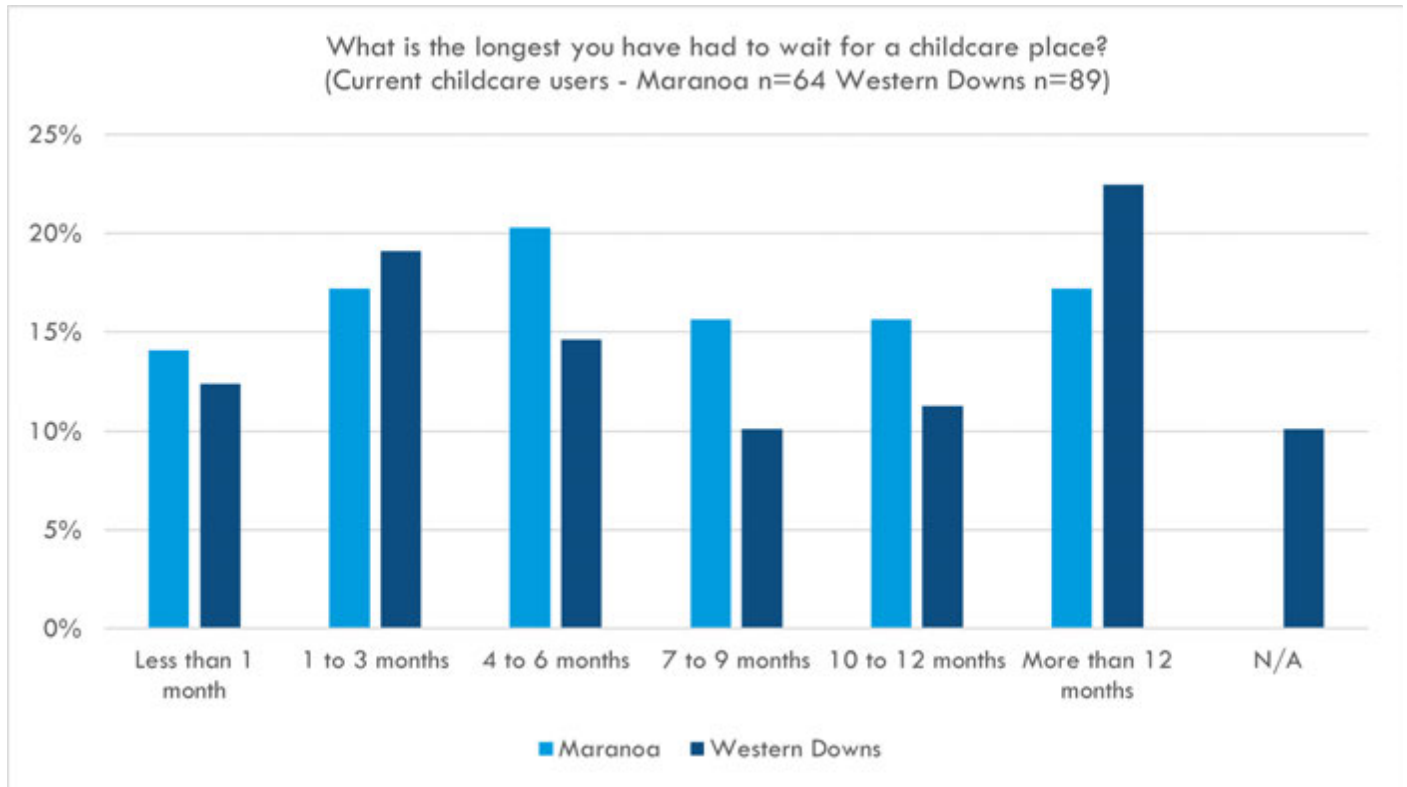
Current childcare users were asked to quantify the longest wait for a childcare place they had experienced. For respondents accessing childcare in the Maranoa the most common answer was 4 to 6 months (20% of respondents), whilst in the Western Downs it was more than 12 months (22% of respondents). However, as seen in Figure 3 below, a similar proportion of respondents in the Maranoa have also had to wait 1 to 3 months and more than 12 months (17%). 19% of respondents in the Western Downs have only had to wait 1 to 3 months. When applying a weighted average to the responses, the Maranoa scored a 3.8 out of 6 whilst the Western Downs a slightly lower 3.7, indicating that, on average, childcare users accessing care in these LGAs have similar wait times^v.

Further, qualitative data from childcare users indicated that in some cases parents experienced wait times of more than two years, with one parent noting that they had been waiting so long that their child had aged out of the infant's room (0 to 2 years of age). Some childcare users highlighted that they would often have their wait time extended, making it extremely difficult to plan their return to work.

The same question was also asked of people who had previously accessed childcare in the Maranoa or Western Downs. The most common response for respondents accessing care in the Maranoa was less than 1 month (25%), followed by 1 to 3 months (21%), whilst in the Western Downs it was more than 12 months (23%) and 10 to 12 months (15%). Overall, the Maranoa had a weighted average of 3.5 while the Western Downs 3.8. Together this data indicates that wait times may have worsened for the Maranoa but stayed consistent for the Western Downs.

V. Weighted average is a calculation that takes into account the varying degrees of importance of the numbers in a data set.

Figure 3 Wait times for childcare - current childcare users



AVAILABLE DAYS AND HOURS

Whilst there are varying experiences of wait times for childcare places in both LGAs, the availability of enough and specific days for care was also raised. Survey respondents currently accessing childcare were asked if the hours they are accessing each week are sufficient. In the Maranoa, 45% of respondents answered No, whilst in the Western Downs it was 49%, indicating that even once they have secured a place, demand for care cannot always be filled (see Figure 4). This is in line with qualitative data from childcare users who noted that even if they were able to secure a place within a reasonable time, there was still a wait for the full amount of time that they actually need.

One childcare user noted that it has taken them four years to get the right balance between childcare hours and their working hours. This, at times, has left parents accessing a number of different childcare options at once to make-up the total hours they need. These different options included using multiple centre-based providers, grandparents, nannies and babysitters.

Childcare users were also asked if they would prefer to be accessing different hours and/or days while keeping the number of hours the same. In the Maranoa, 48% of respondents want different days, different hours, or both, while in the Western Downs it was 65% (see Figure 5).

Together, the responses to these two survey questions indicate that the provision of childcare in both LGAs is not meeting the needs of childcare users, but more so in the Western Downs. This finding is unsurprising given the number of childcare deserts in the Western Downs region (particularly in Chinchilla), and the lower proportion of childcare places in this LGA as a whole.

An issue for the Maranoa and Western Downs is the need for flexible arrangements to suit work schedules. The Maranoa and Western Downs LGAs are home to not only a range of shift workers such as nurses, paramedics and police officers, but also those working in the resources sector on swings. Across these workforce groups are a range of schedules, including overnight, early morning and evening shifts, as well as two week on, two week off swings.



Figure 4 Accessing enough care - current childcare users

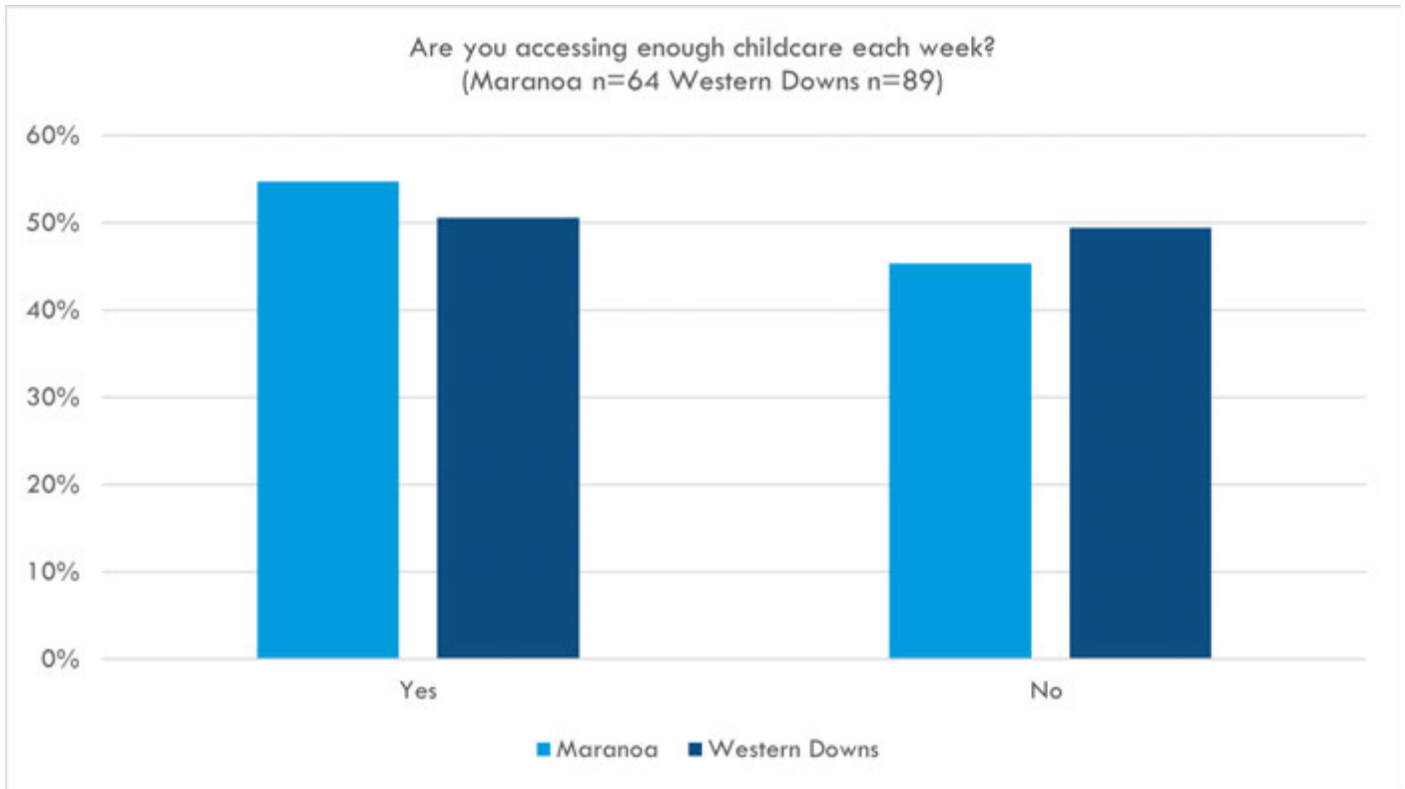
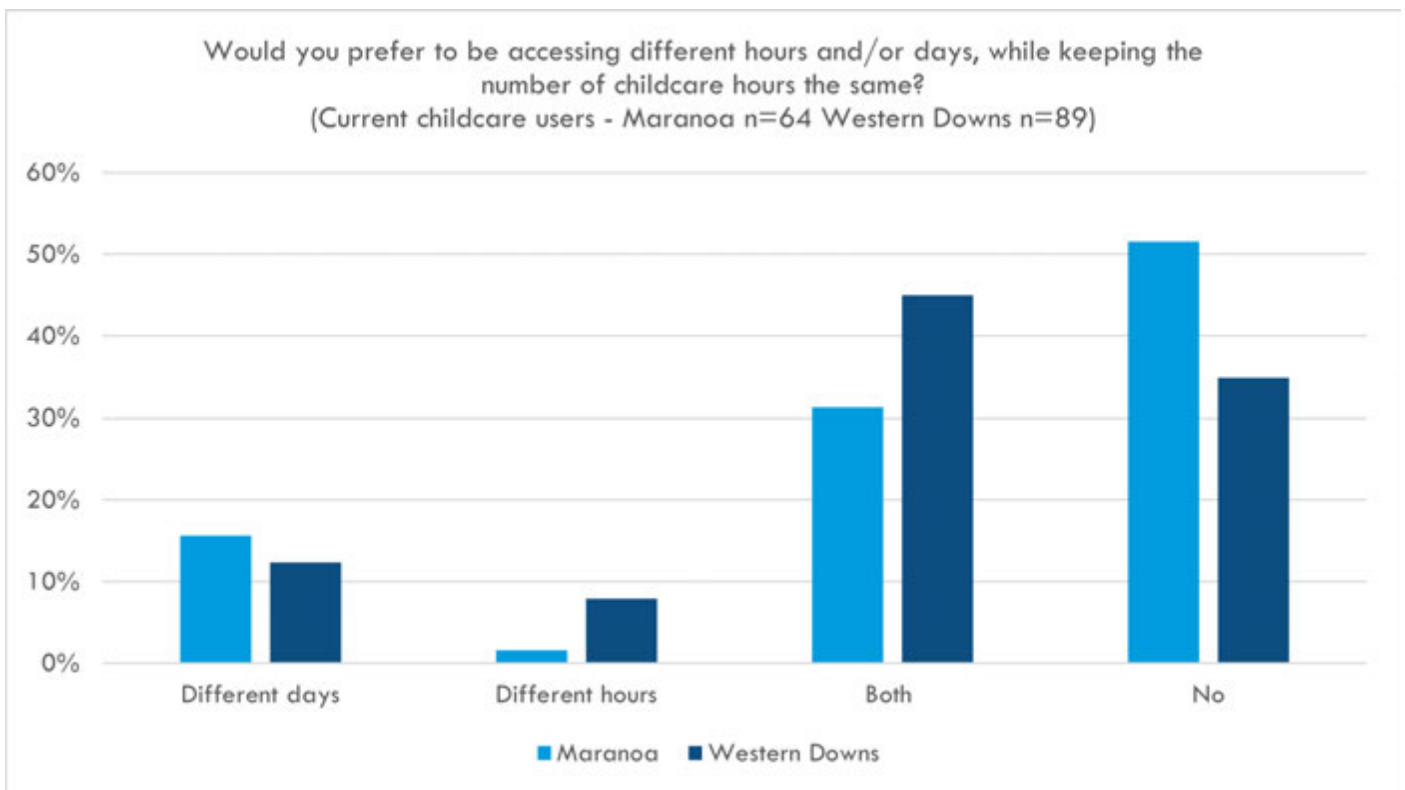


Figure 5 Preference for different hours and days for childcare - current childcare users



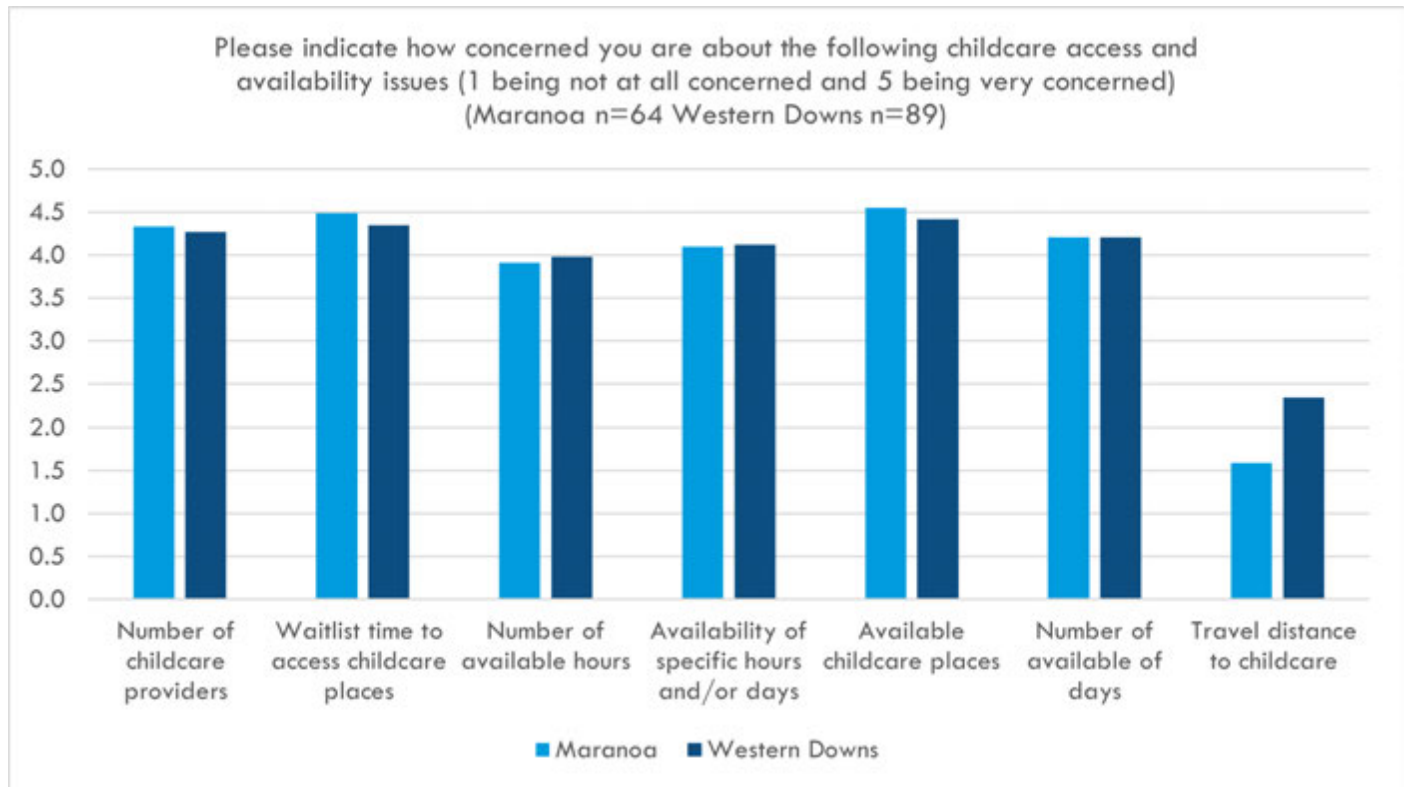
Centre-based care options provide services anywhere from 6:00am to 6:30pm across the two LGAs, with the longest day 12.5 hours. Family day cares tend to operate within the same hours or as they choose. However, outside of private in-home arrangements, there does not appear to be any services that could specifically provide care for shift workers outside of these hours, including on weekends. Some parents who work two weeks on, two weeks off also noted that there is not an option for them to only utilise the childcare they need which would be for the two weeks (including weekends) that they are working. One survey respondent highlighted that it would be valuable to have a hospital-based day care for staff with opening hours from 6:30am until midnight.

In terms of overall access and availability, respondents currently accessing childcare in the Maranoa and Western Downs are most concerned about Available childcare places, Waitlist time to access childcare places, and Number of childcare providers, and least about Travel distance to childcare (see Figure 6).

Those accessing childcare in the Maranoa appear to be more concerned about these issues than those in the Western Downs, with the exception of Travel distance to childcare. This is likely reflective of childcare users in Limited Care and Combined Care places, such as Wandoan and Jandowae, accessing care in Established Care places such as Dalby and Chinchilla. This phenomenon is less likely in the Maranoa, as the distance between places such as Surat (Combined Care) and Roma (Established Care) are not practical in terms of daily childcare, and the large majority of Limited Care places are in reasonable proximity to centre-based long day care. In comparison, respondents who have previously accessed childcare were almost equally as concerned about the Available childcare places across the two LGAs.

Further qualitative data from study participants (both current and previous childcare users) raised the issue of outside school hours and vacation care. Study participants noted limited options in the Maranoa and Western Downs indicating a gap in care for school aged children. However, some participants also noted that there seemed to be peaks and troughs in terms of demand for this service which has affected its viability in the region.

Figure 6 Childcare access and availability concerns - current childcare users



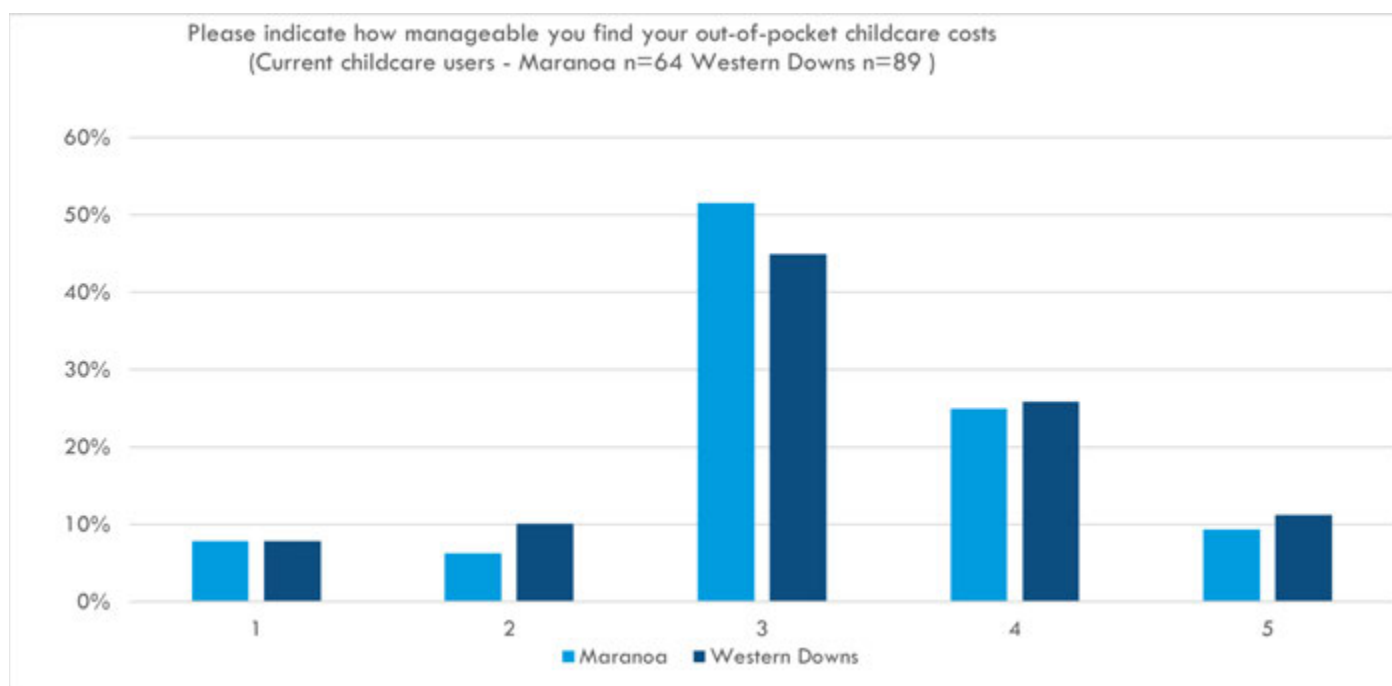
THE AFFORDABILITY OF CHILDCARE

The affordability of childcare has been an oft discussed issue in Australia and a key component of the last two Federal Budgets in the form of the Child Care Subsidy (CCS). The 2022 Federal Budget included a commitment to increase CCS rates up to 90% for eligible families earning less than \$530,000, in addition to previous changes to the CCS which provide further subsidies for any additional children in childcare. The Federal Government estimates that these changes to the CCS will increase the working hours of women with young children by up to 1.4 million hours per week – equivalent to 37,000 full-time workers³.

A report released by the Grattan Institute in 2020 highlighted that high out-of-pocket costs for childcare, combined with other tax and welfare policy settings, are disincentivising primary carers returning to work and impacting female workforce participation. The report recommended that the Commonwealth Government increase the CCS to 95% for low-income households and taper down for families with incomes greater than \$68,000. The report estimates that these changes would support an \$11 billion uplift in GDP. The report also highlighted that the average cost of childcare in regional areas is lower than in urban areas: \$10.50 per hour in major cities, \$9.55 in inner-regional, \$9.30 in outer-regional, and \$9.10 in remote areas⁴.

When asked to rate how manageable they found their out-of-pocket expenses (1 being very manageable and 5 being very unmanageable), the majority of respondents in both LGAs indicated a 3 out of 5 (53% in the Maranoa and 45% in the Western Downs) (see Figure 7). When the weighted average is applied, both LGAs score 3.2 out of 5, indicating that out-of-pocket costs are more unmanageable than not.

Figure 7 Manageability of out-of-pocket childcare costs - current childcare users



Qualitative data has highlighted that whilst affordability of childcare is important, it is often a secondary issue to the availability and accessibility of childcare. Some childcare users highlighted that they have to consider the viability of using childcare, noting that often it will cost a large proportion of their salary if and when they have returned to work. However, many reported taking any spot they can get, regardless of the price difference. One childcare user in the Western Downs specifically highlighted looking for cheaper options and found none available. This issue was present in the discussion regarding the quality of childcare and choices being made by childcare users. As such, while the role of the CCS should not be discounted in supporting better access to childcare, in the Maranoa and Western Downs it is evident that increased purchasing power will not necessarily result in greater accessibility for parents. This is because the CCS, operating as a mechanism to increase demand for and therefore induce greater supply of childcare, does not address larger availability and accessibility issues in these thin markets.

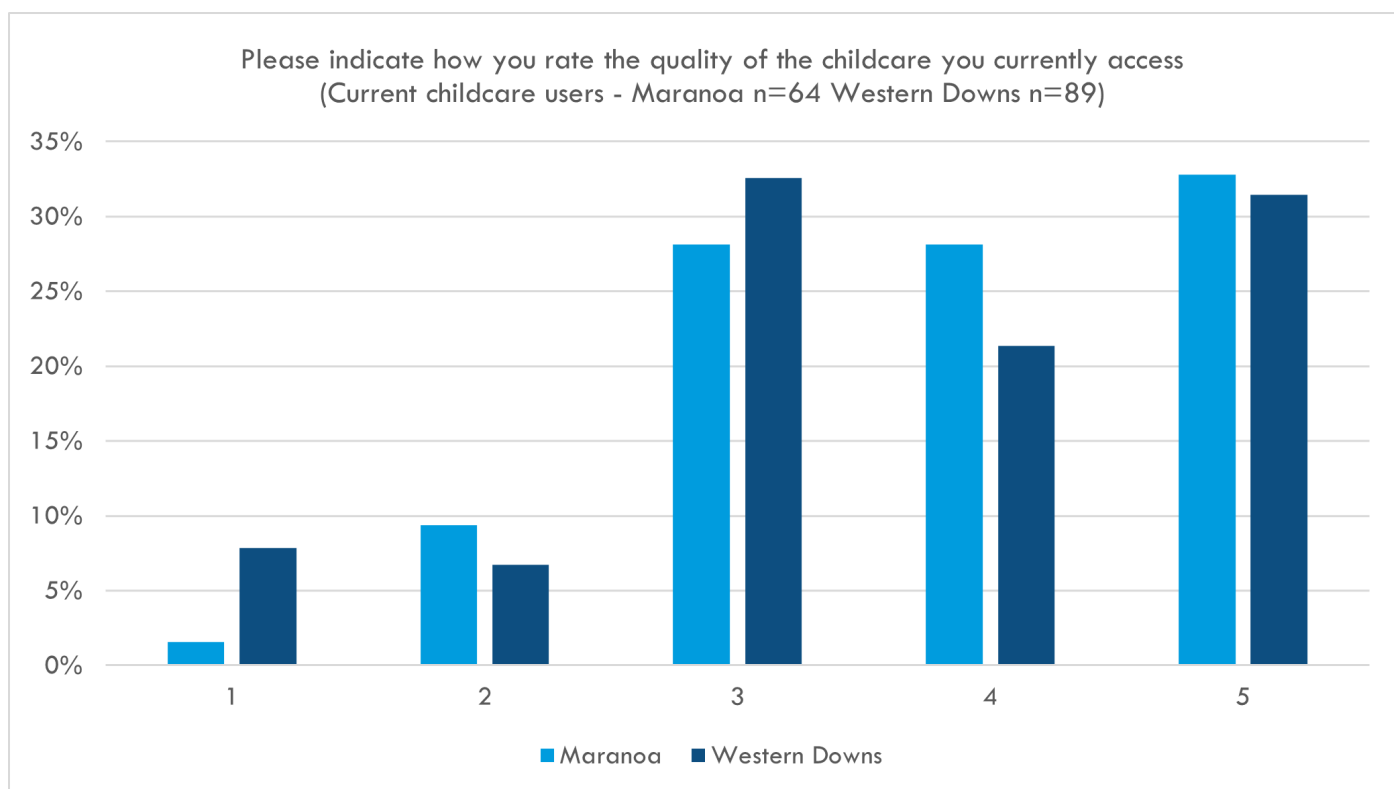
The issue of thin childcare markets was highlighted in the Mitchell Institute’s report, which noted that the current policy settings for childcare mean that it is not possible for childcare providers to operate in many regional places – at least in a market-based manner. Further, unlike for education services, there is no central planning undertaken for childcare, and as such, entrance to the market is driven by factors such as regional advantage and capacity to pay – again limiting supply in regional places⁵.

THE QUALITY OF CHILDCARE

The quality of childcare in the Maranoa and Western Downs has not been assessed from the perspective of the ACECQA National Quality Framework, but rather from the perspective of childcare users. This report does not seek to replicate the regulatory framework regarding quality, nor assess the individual traits of any one centre or day care, but rather to understand how childcare users feel about the services they have access to. Overall, users are happy with the care their children are getting but are concerned about staffing levels and turnover.

Childcare users who are currently accessing services in the Maranoa and Western Downs were asked to rate the quality of the childcare (1 being low and 5 being high). For childcare users currently accessing care in the Maranoa, the most common rating was 5 (33% of respondents), while in the Western Downs it was 3 (33%), followed closely by 5 (31%) (see Figure 8). When a weighted average was applied, childcare in the Maranoa was rated on average a 3.8 while childcare in the Western Downs a 3.6 (see Figure 8).

Figure 8 Rating of childcare quality - current childcare users



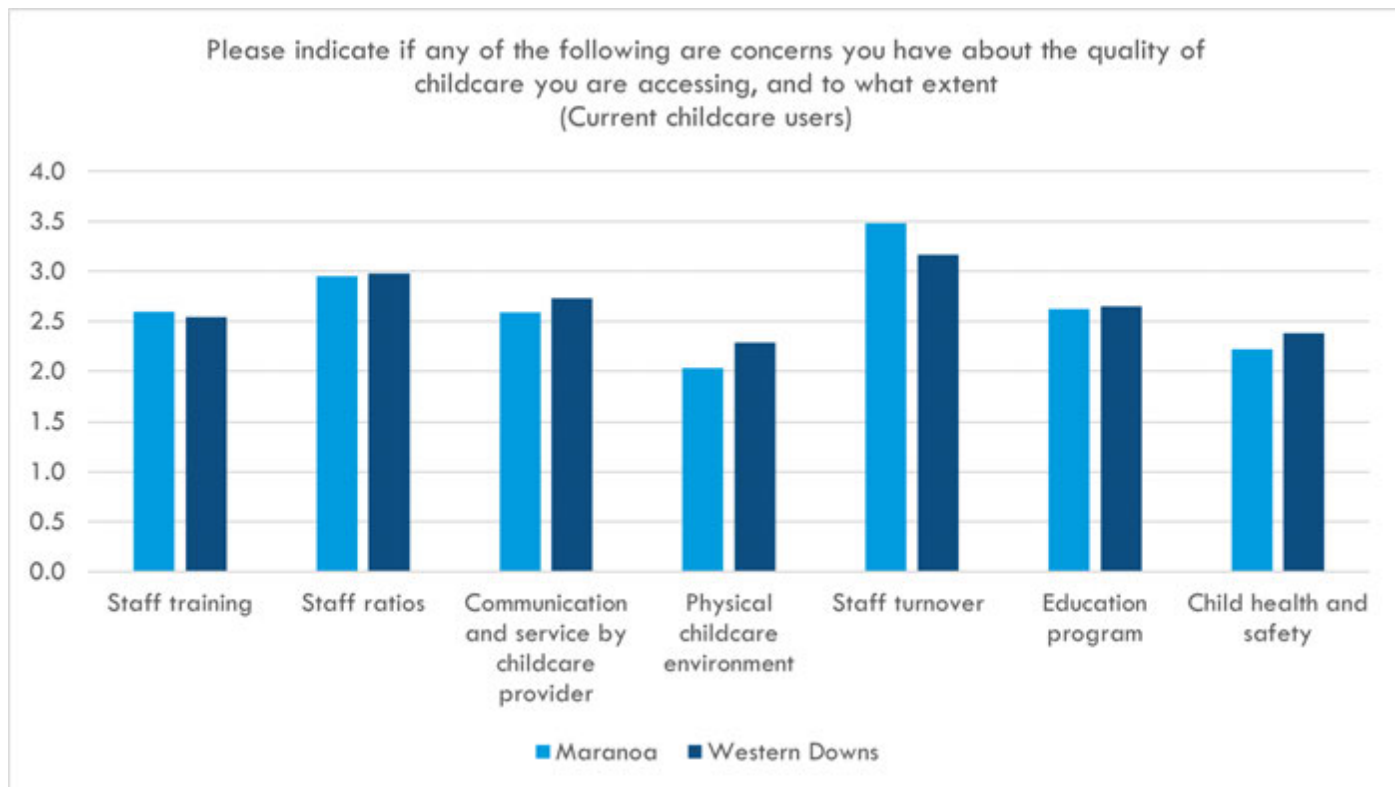
Current childcare users were asked to rate how concerned they are about a range of childcare quality issues, from 1 being not at all concerned and 5 being very concerned. The area of most concern for childcare users is Staff turnover (with a weighted average of 3.5 for the Maranoa and 3.2 for the Western Downs), followed by Staff ratios (with a weighted average of 3 out of 5 for both LGAs). The quality area of least concern was the Physical childcare environment (see Figure 9).

The same question was asked of people who had previously accessed childcare in the Maranoa or Western Downs. Again, Staff turnover was the area of greatest concern to childcare users, followed by Staff ratios. However, in this group there appears to be a greater disparity between the two LGAs with respondents previously accessing care in Maranoa more concerned about quality than those in the Western Downs.

Qualitative data from the survey highlighted that high staff turnover in childcare leads to confusion for the children, as to who is looking after them, and for parents, in terms of knowing who they need to discuss matters with at childcare. It was highlighted that ‘...children deserve to have consistent educators who enjoy their job.’

What also came to light through the qualitative data about quality more generally, was the inability for childcare users to choose a provider based on quality. As with choosing based on affordability, childcare users feel that they have to take whatever place they can get. One forum participant noted that there is an inability to choose the childcare option that best suits their child because of scarcity of places, and that they had to weigh up taking their child out of their care option with the possibility of not securing another place. This same sentiment was also echoed by a survey respondent, who noted that the best they could find to replace their current five days of care, was a single day coupled with another care option. Another respondent reported feeling that they could not raise issues as the childcare provider knows they have nowhere else to go.

Figure 9 Quality concerns regarding childcare - current childcare users



THE IMPACTS

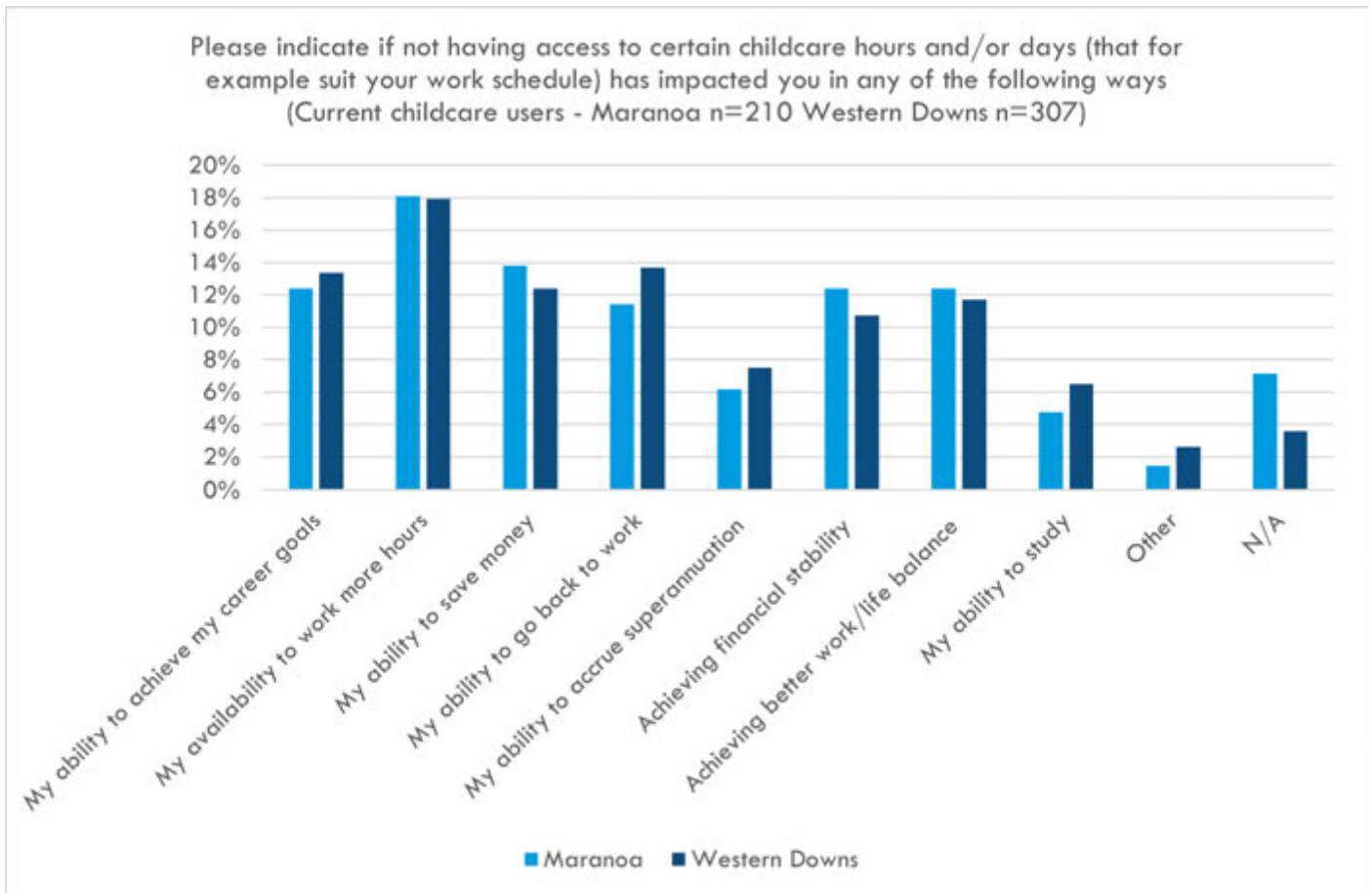
This research largely approached the provision of childcare from the perspective of workforce participation, as opposed to the provision of early childhood education. As such, the discussion on the impacts of a lack of accessibility to childcare relate to employment, study, work life balance, and wellbeing, as well as worker attraction and retention.

Survey respondents were asked to indicate how the lack of availability of childcare hours and access to specific days and/or hours had impacted them. The most commonly selected answers across both questions and LGAs were My ability to go back to work, My ability to work more hours and Achieving financial stability. The least selected answers (other than N/A and Other) were in the Maranoa My ability to accrue superannuation and in the Western Downs My ability to study (see Figures 10 and 11).

Other impacts cited by respondents included:

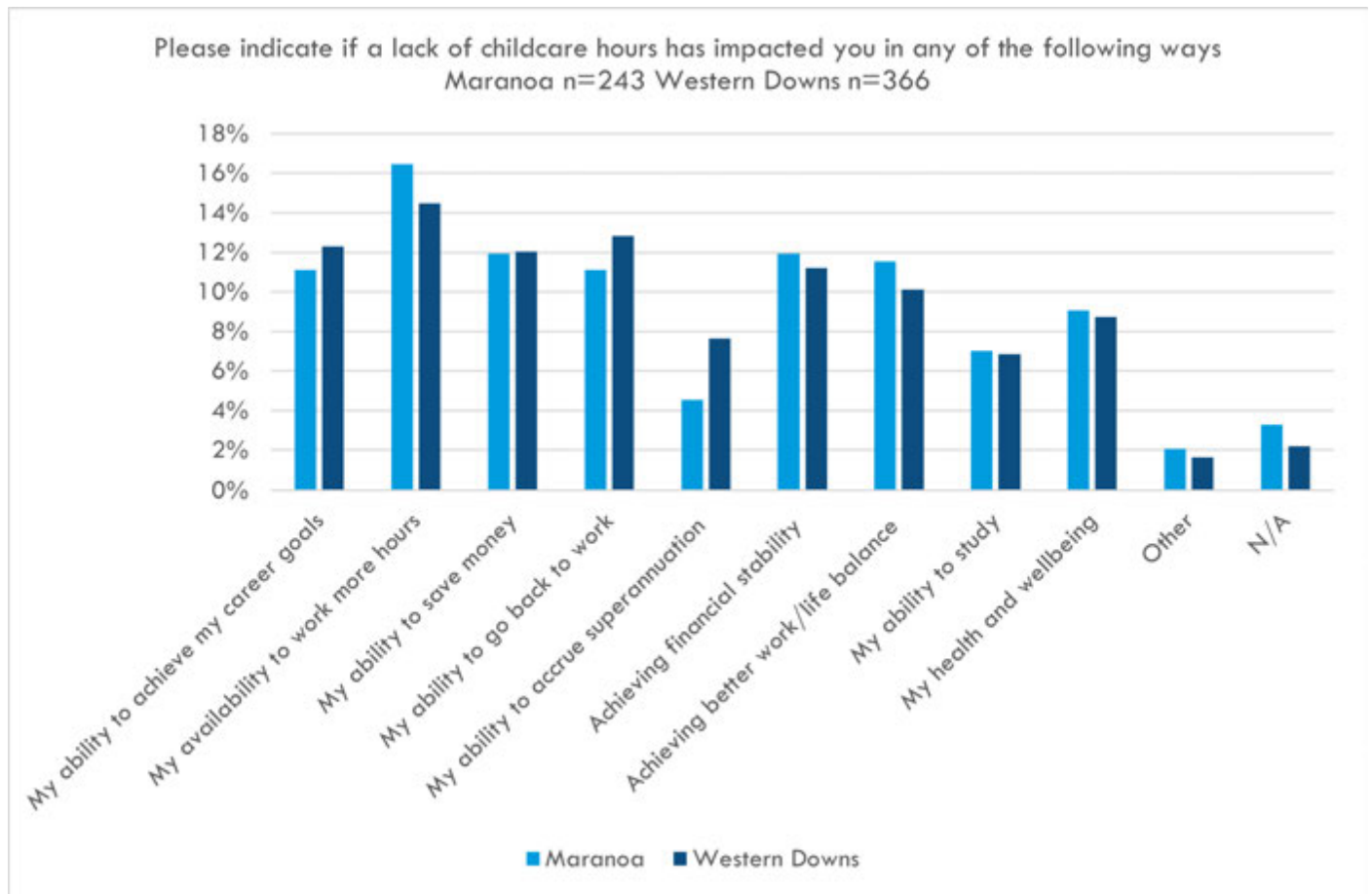
- Family health
- Partner or husband’s ability to work
- Ability to have basic social interactions
- Access to early education
- Pressure on family relationships when relying on them for childcare
- Providing medical services to the region
- Having to change jobs to have access to more flexible working hours
- Mental health
- Balancing full-time, from home work with childcare, and
- Ability to work hours that suit their job.

Figure 10 Impact of lack of access to childcare - current childcare users



A report by Deloitte Access Economics, Western Downs Workforce Gap Analysis, further supports the impact of lack of childcare on the attraction and retention of workers in the region. The report notes that limited access to support services that include childcare, health care and retail/entertainment can affect the liveability of the region and be a deterrent for families moving to the region. This subsequently can flow onto the provision of other liveability professions and services, such as health care and education. The report further highlights that the availability of support services such as childcare can be linked to demand created by resources sector cycles⁶.

Figure 11 Lack of specific childcare hours - current childcare users



Both current and previous childcare users highlighted a range of impacts of lack of childcare, including personal, family, workplace and economic. Several respondents highlighted the impact on their ability to participate in the workforce and progress their careers. Participants highlighted concerns about being able to access the right hours to suit their part-time work, the need to be able to work from home if care is not available and being overlooked for promotions. One participant noted a range of flow on effects to family, study and career:



I missed out on a full-time job opportunity when I moved... as I could not get my children into care. Since being able to get my children into care I could not get them in full-time so I can only work part-time at present. This also means I cannot complete my study as quickly as I would like to... Not being able to get my children into childcare has affected my career and study goals, as well I get very little time for my own fitness and wellbeing.”

Specifically, participants from a Limited Care town noted that without access to long day care parents cannot work until their children are in kindergarten and that:



One parent from every family that has under school-age children has to stay at home as there is no option for childcare. This greatly impacts finances of the household.”

Some respondents highlighted the flow on effects in workplaces when colleagues are unable to access care and subsequently have to cut down their hours. They noted that this results in an extra workload for other team members, increasing their stress and anxiety.

Some participants noted the impacts on their family, social and mental wellbeing. There is a level of distress from parents who cannot return to work and feel that they are a financial burden and cannot contribute to their family. Noting the significant resources sector in this region, a number of study participants highlighted impacts on their families when they have tried care options such as flying out grandparents for their two weeks on, or parents working opposite work swings to have full coverage which can significantly impact their own relationships.



I ended up leaving the Western Downs to move to a more populated area because of family reasons but the stress of trying to find ways to have someone to drop off or pick up my child day in and day out definitely contributed to the decision.”

HOWEVER, IT IS IMPORTANT TO NOTE PEOPLE WHO ARE NEW TO THE REGION, OFTEN HAVE TO BUILD LOCAL SOCIAL NETWORKS, AND THEREFORE DO NOT HAVE THE OPTION TO RELY ON OTHER FAMILY MEMBERS OR FRIENDS. AS SUCH, FOR THEM, CHILDCARE BECOMES EVEN MORE IMPORTANT AS THEY HAVE NO ONE ELSE TO RELY ON.

Some parents are utilising in-home care options (for which they can receive the CCS if the educator is registered or at least working towards their qualifications) or private nannies, as they cannot access any other option. However, this can still be challenging for parents as they have to find educators themselves and if the educator leaves, they are back to childcare waitlists. One participant noted that if their nanny resigns, their husband may have to resign from his job to take care of the children while waiting for a childcare place.

Parents are also seeking care for their children on platforms such as Facebook. Some parents appear to be so desperate for childcare that they will utilise an un-regulated service, carer or child minder. While there is no evidence to suggest that these are not good services or educators, feedback from participants does indicate the presence of a range of services operating outside the regulatory framework, with limited or no oversight. This in itself can be a risk.

From an employee attraction and retention perspective, one respondent noted that they have had five staff leave due to a lack of childcare, while other participants noted nearly losing staff and others questioned how new people to town could access care without pre-existing relationships with the centres (through having a sibling in the centre).



THE SUPPLY SIDE OF CHILDCARE

HAVING ENOUGH STAFF

Interviews with educators and industry stakeholders consistently identified staffing as the most significant issue in providing childcare in the Maranoa and Western Downs and across all three childcare typologies. Current and past childcare users noted staff availability as a concern in the industry, highlighting this, along with the number of childcare places, as impacting on the availability of care. Staffing concerns are relevant to the provision of centre-based long day care, family day care, kindergartens and in-home care.

In addition to staffing challenges, a lack of physical space, where providers cannot accommodate more children, is also an issue across all three typologies. Here, our findings are consistent with the findings of the Mitchell Institute. Discussions regarding the childcare workforce are important to the feasibility and ongoing operation of the sector and represent an opportunity for regional stakeholders to support the industry. However, there is a point at which the development of further or new infrastructure will need to be considered by those with responsibility for supply - childcare providers. Noting the market-based nature of childcare, and the demand-side nature of the CCS, this will be a challenge for childcare providers in these thin markets.

Table 5 Childcare industry occupations - 4-digit ANZSCO occupations

OCCUPATION	DESCRIPTION	QUALIFICATIONS
4211 Child Carers	Child Carers provide care and supervision for children in residential homes and non-residential childcare centres.	Certificate III and/or Diploma in Early Education
2411 Early Childhood Education Teachers	Early Childhood (Pre-Primary School) Teachers teach the basics of numeracy, literacy, music, art and literature to early childhood (pre-primary) students and promote students' social, emotional, intellectual and physical development.	Certificate III and/or Diploma in Early Education
1341 Childcare Centre Managers	Child Care Centre Managers plan, organise, direct, control and coordinate the activities of childcare centres and services including physical and human resources.	Diploma in Early Education

Source 5 Labour Market Insights, Regional Australia Institute

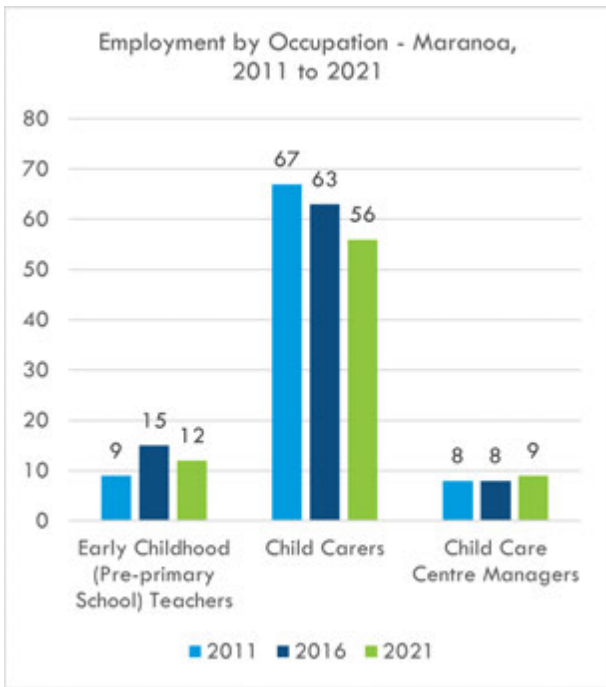
As outlined in Table 5, the three key occupations in the childcare industry are Child Carers, Early Childhood Education Teachers and Childcare Centre Managers^{VI}. According to the 2021 Census there are currently 275 people employed in these three occupations across the Maranoa and Western Downs, an increase of 8% since 2011. Approximately 30% of those employed in these occupations are in the Maranoa and 70% in the Western Downs (see Figure 13 and Figure 14).

While the number of people employed in the childcare industry has increased in the Maranoa and Western Downs, so too has the demand for workers. According to the Internet Vacancy Index (IVI)^{VII}, in Queensland there are 1,208 job vacancies for Child Carers, 474 vacancies for Early Childhood Teachers, and 76 vacancies for Child Care Centre Managers (as of September 2022). As shown in Figure 14, there has been a stark increase in vacancies across these three occupations, after an initial decline since the onset of the COVID-19 pandemic, particularly for Child Carers. While data at this detailed occupation level is not available at the regional level, the IVI highlights that the Toowoomba and South-West Queensland region (in which the Maranoa and Western Downs are located) has experienced a similar growth in demand for Carers and Aides (the occupation group for Child Carers), Education Professionals (the occupation group for Early Education Teachers), and Health, Education, ICT and Other Managers (the occupation group for Child Care Centre Managers).

VI. ANZSCO occupation level 4

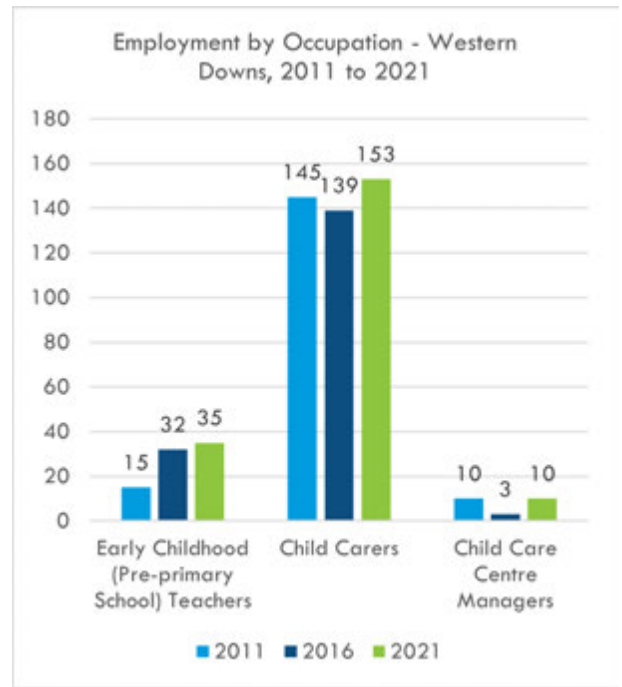
VII. The IVI is based on a count of online job advertisements newly lodged on SEEK, CareerOne and Australian JobSearch during the month.

Figure 12 Employment by occupation - Maranoa, 2011 to 2016



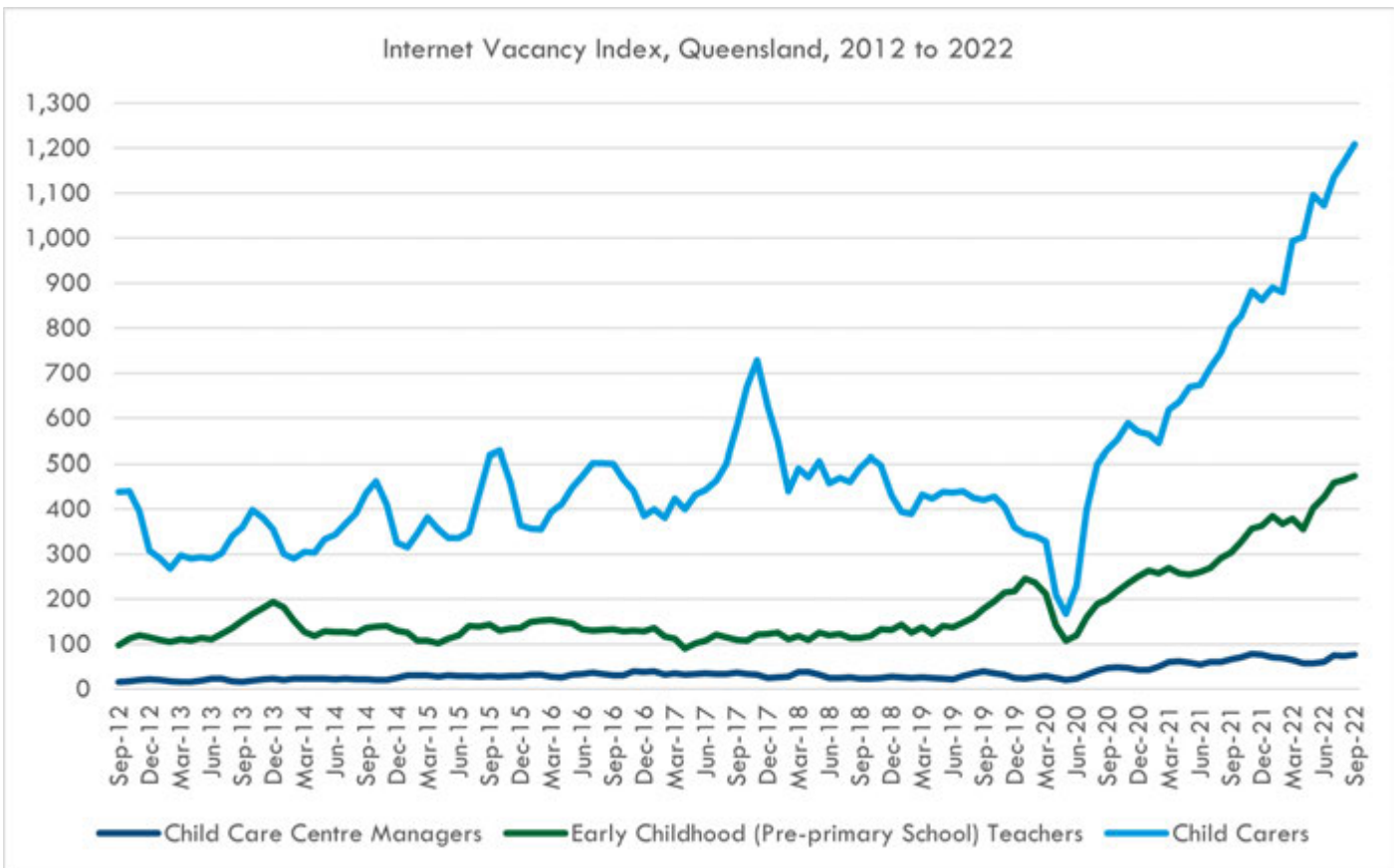
Source 8 ABS, Regional Australia Institute

Figure 13 Employment by occupation - Western Downs, 2011 to 2016



Source 7 ABS, Regional Australia Institute

Figure 14 Internet Vacancy Index, Queensland, 2012 to 2022



Data from the ABS Labour Force Survey indicates that between 2011 and 2021, the number of Child Carers employed nationally peaked at 165,700, before declining to a low of 129,800 in 2020 with the onset of the COVID-19 pandemic. The number of Childcare Care Centre Managers and Early Childhood Education Teachers peaked in 2019 at 21,600 and 49,900 respectively. Vacancies appeared to have increased in Queensland for these roles from 2020, again coinciding with the COVID-19 pandemic.

Not only are childcare educators in high demand now, Deloitte Access Economics predict that the shortfall between the supply of Child Carers in Western Downs in 2030 and the likely demand will be 36 educators, increasing from the current shortfall of in 2021⁷. At a national level, employment projections for Child Carers indicate that employment in this

occupation will grow by 5.6% from 2021 to 2026. In comparison, the number of workers in the Early Childhood Education Teachers and Childcare Centre Manager Occupation are expected to grow substantially, by 21.6% and 21.8% respectively, over the same period.

Centre-based providers are required to maintain specific ratios of staff to children (see Table 6), and ratios of qualifications (50:50 Diploma qualified to Certificate qualified staff members), as well as employing Early Childhood Education Teachers. Interviews highlighted that it can be a struggle to maintain the number of staff needed to meet these requirements and that they struggle with covering sick and annual leave needs. Essentially, on a good day when they have a full and healthy workforce, ratio requirements can be met, but on other days when they cannot, they need to send children home.

Table 6 Queensland childcare ratio requirements

AGE GROUP	EDUCATOR TO CHILD RATIO
Birth to 24 months	1:4
Over 24 months and less than 36 months	1:5
36 months up to and including preschool age	1:11
Over preschool age	1:15

Source 9 ACECQA, Regional Australia Institute

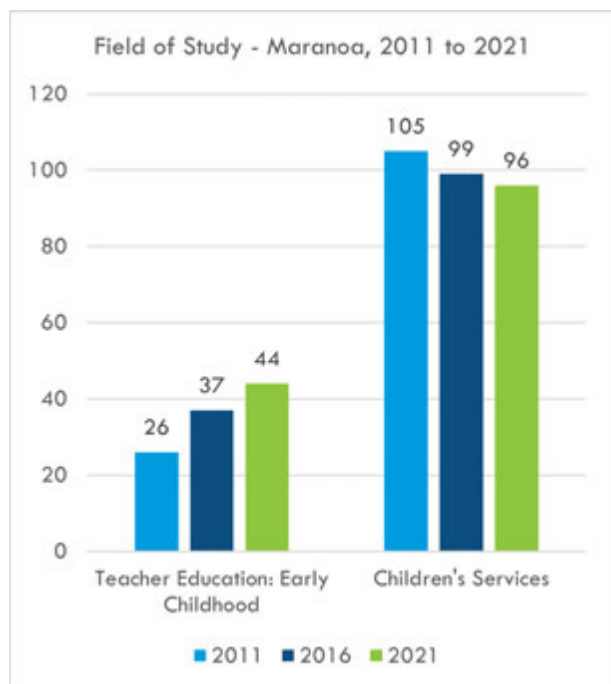
Interviews with educators and industry stakeholders specifically highlighted the challenges involved in hiring Early Childhood Education Teachers (ECT) – the presence of which is mandatory for those offering a kindergarten program. Funding for kindergartens from the Queensland Government is tied to these positions – without an ECT, services must apply for a waiver or lose this component of their funding. This is particularly important for services that are predominantly a kindergarten, and for services in Combined Care towns. As noted, while kindergartens do not provide long day care, the presence of these services and combination of kindergarten and childcare funding (through the Community Child Care Fund) is important to supporting at least some access in these thin markets.

Further, there appears to be very limited ability for childcare providers to access any relief educators to cover sick days, holidays, and training. While one interviewee noted that they had a list of educators they could call to try to arrange temporary cover, this was not common. They also noted that there are no relief agencies present in the Maranoa and Western Downs, and even if there was, they imagined they would also struggle to access staff. Interviewees noted that even if staff were available, the size and spread of these two LGAs would make staff sharing challenging. However, many interviewees agreed that the presence of relief educators would be very helpful and would reduce the need to send children home. The presence of relief staff would also support providers and educators to be able to undertake more face-to-face professional development and training – currently much of this is undertaken either outside of work hours or online.

A number of interviewees noted that there are many qualified educators in the Maranoa and Western Downs who have disengaged from the industry to work in other sectors, whether for pay or work conditions. The most common comment was that educators could work stacking shelves at Woolworths for more money, less risk and stress. 2021 Census data indicates that across the region there are currently 503 people with qualifications in Teacher Education: Early Childhood and Children’s Services. Importantly this data indicates that for every person employed in the childcare industry in the Maranoa and Western Downs, there appears to be 1.8 people qualified to do so, supporting the data provided by interviewees (see Figure 15 and Figure 16). It is acknowledged that a number of these people would be working in the education systems in the Maranoa and Western Downs and that a small proportion are outside of the working age group, however, this still highlights a potential latent workforce in the region that could be tapped into.

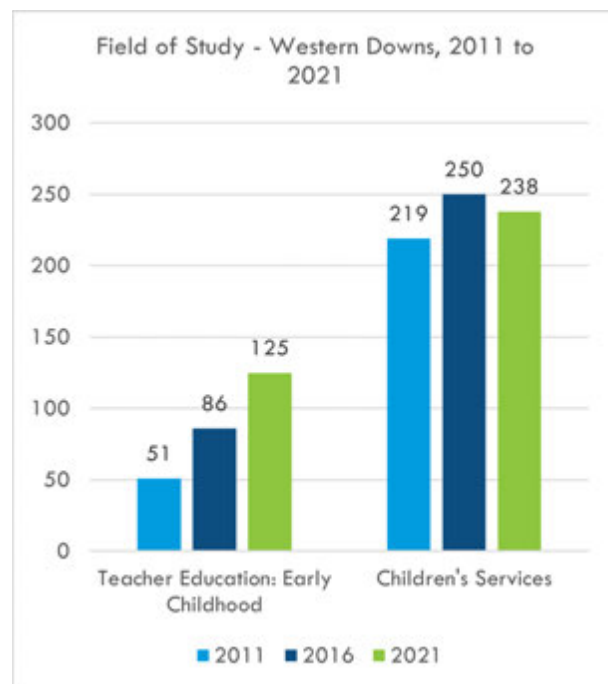


Figure 15 Field of study - Maranoa, 2011 to 2021



Source 10 ABS, Regional Australia Institute

Figure 16 Field of study - Western Downs, 2011 to 2021



Source 11 ABS, Regional Australia Institute

ATTRACTION AND RETENTION

Attraction and retention of childcare educators relates to factors including wages, regulatory requirements, workplace conditions, broader community liveability, housing and of course the availability of childcare. While not all interviewees highlighted industry retention issues, they did note changing expectations such as flexible working as factors impacting staffing arrangements. Hesta's State of the Sector Report 2021: Early Childhood Education and Care Workforce Insights (the Hesta Report), which surveyed more than 360 educators, highlights this as the key question for the industry – 'how to retain and attract staff?'⁸

Interviews with educators and industry stakeholders emphasised the issue of childcare wages, which has been a topical issue for the sector nationally. The median hourly earnings for jobs in Australia is currently \$41 per hour, while, as outlined in Table 7 the median earnings for Child Carers is 32% lower at \$28.

Interviewees noted that increasing wages would attract more people to the industry, as currently many people can work in other industries for more money, less stress and regulatory burden. While childcare users are concerned about the low wages for educators, they are also wary of whether increases to the CCS or fees would flow through to educators. The Hesta Report highlighted salary as the most-disliked part of the educators' job, followed by a lack of opportunities for growth and promotion⁹.

Table 7 Childcare occupations and median hourly earnings (2021)

OCCUPATION	MEDIAN HOURLY EARNINGS (2021)
4211 Child Carers	\$28
2411 Early Childhood Education Teachers	\$45
1341 Childcare Centre Managers	\$39

Source 12 Labour Market Insights, Regional Australia Institute

The regulated nature of the childcare sector was discussed in interviews, and whilst it is agreed that it can be onerous, the suggestion of reduced 'paperwork' was not common.

RATHER, IT APPEARS THAT MANY EDUCATORS WOULD PREFER ADEQUATE TIME, RECOGNITION AND COMPENSATION FOR THE WORK REQUIRED OF THEM – APPRECIATION THAT THEY ARE EARLY CHILDHOOD EDUCATORS AND NOT JUST BABYSITTERS.

Some interviewees highlighted that the increased responsibilities applied to Diploma qualified (as opposed to Certificate qualified) staff can be a discouragement to some increasing their qualifications, which impacts educator ratios in childcare centres. These sentiments were echoed by some childcare users who noted that childcare providers seem to struggle to attract qualified and experienced staff, and that people do not seem to appreciate the pressure educators are under. They note the highly regulated nature of the work and the expectations in relation to paperwork.

Interviewees noted the effect of the COVID-19 pandemic on the sector and the subsequent impacts on workforce. The COVID-19 pandemic placed significant additional burdens on the childcare workforce, such as additional cleaning requirements. The pandemic also placed additional pressure on providers with the provision of free childcare in 2020¹⁰. Whilst the concept of free childcare is in itself very helpful for many families, it does not take into consideration the increased demand pressures created for providers. One interviewee highlighted the stress of feeling like they had to pick and choose which families could have access to the limited places they could supply. Whilst not the only factor in workforce burnout, interviewees noted that many educators faced burnout during this period, and this contributed to them leaving the industry.

The impacts of the COVID-19 pandemic across the industry were highlighted by the Hesta Report. The report noted that childcare providers, in addition to being required to stay open and take on additional duties, could not charge out-of-pocket fees during the period of free-childcare. The combination of this disruption to their business models, the surge in demand, and the early removal of JobKeeper payments for industry, placed significant pressure on childcare businesses and resulted in further staff losses¹¹.

Attraction to the industry also relates to the availability of training and qualifications. Childcare qualifications are provided by a range of training organisations in the Maranoa and Western Downs. The vast majority is provided online and off-campus, with the TAFE located in Roma the only face-to-face provider in the region. Whilst online and other offerings can provide a flexible method of delivery for students, it does not account for issues such as poor connectivity and different learning styles. The recently restarted face-to-face training offering in Roma offers an opportunity for the training provider to engage more directly with local students, schools and other latent workforce pools.

Another common issue in the attraction and retention of regional communities is liveability. A key component of this, and a continuing challenge in regions, is the availability and affordability of housing. One interviewee highlighted that they had recruited an Early Childhood Education Teacher, but the teacher decided to take a position in another town because they could more easily access housing. Unlike other government-driven sectors such as education, health, child protection and policing, housing support is not a given for educators. Although one provider in the region has gone as far as purchasing houses in some towns (outside of the Maranoa and Western Downs) to help attract educators.

FAMILY DAY CARE

As noted, the provision of family day care has reportedly declined in the Maranoa and Western Downs. Family Day Care Australia's Family Day Care Sector Profile December 2021, highlighted that their educator members in Queensland have declined from 2,356 in December 20 to 2,122 in December 2021¹².

Interviewees in our study attributed declines in the Maranoa and Western Downs to increased regulation of the sector, changes to qualification requirements, and other factors such as the COVID-19 childcare policies, infrastructure requirements and housing.

Childcare based out of a residential home reduces the large establishment costs faced by centres and represents a lower barrier to entry for childcare in thin markets. However, a more recent phenomenon has been the inability of some family day care educators to be able to access appropriate housing in this region from which to provide care.

Educators also noted the need to make infrastructure upgrades such as installing fencing and making electrical upgrades. These can be costly, and, if renting, a significant sunken cost for the educators. Family day care educators are responsible for not only providing care but also managing their business, maintaining their qualifications and certification, and ensuring all regulations are met. Whilst there is an opportunity for family day care educators to be earning in the vicinity of \$95,000 per annum¹³ and work from home, it is also acknowledged that they carry a lot of responsibility as a sole trader.

Further, as noted previously, the Federal Government's free childcare policy during the COVID-19 pandemic impacted the financial viability of childcare providers, through changes to the CCS and inability for providers to collect out-of-pocket fees from families. This also extended to family day care providers, who subsequently were faced with losing half of their income.

Finally, interviews highlighted that recent changes to qualification requirements for family day care educators means that there is likely to be a reduction in available care. Family day care educators are now required to be fully qualified (having completed at least their Certificate III) before commencing provision of care. Previously, educators could still be working towards their qualification. This change acknowledges the unsupervised nature of family day care, but is a distinction from centre-based care, where a trainee can be completing their study and working at the same time.

In 2019, Family Day Care Australia undertook research to inform attraction and retention of educators to the sector. This was in response to the decline in the number of family day educators, down 21.8% from December 2017 to December 2018. The report, *Attracting the Next Generation of Family Day Care Educators*, highlighted that 19% of Australia's family day care educators are located in Queensland (in comparison to 35% in New South Wales and 31% in Victoria), and that the majority

are located in major cities in Australia (76%), with only 23% located in Inner and Outer Regional Australia.

The findings of our study align with the work undertaken by Family Day Care Australia, which notes the decline in family day care educators. The following challenges were highlighted:

- An increasing administrative and compliance burden
- Increasing paperwork
- Keeping up-to-date with programming
- Business and workplace safety requirements
- Set-up costs and difficulties for those without secure housing
- Difficulty taking time off
- Lack of employment entitlements, and
- Feeling undervalued – perceived as the babysitter.

Importantly, the report highlighted the target profile for family day care educators and a range of factors that would support attraction and retention. These include financial support and assistance schemes, income stability, training support, and administrative relief. Overall, the report highlighted a need to promote the family day care sector and its benefits for both children and families¹⁴.



RECOMMENDATIONS

The following recommendations have been developed to address identified challenges in the provision of childcare from a regional perspective. Whilst it is acknowledged that the issues affecting the Maranoa and Western Downs transcend these two LGAs, it is still important to consider the opportunities for the region, by the region.

This report acknowledges the market-based nature of childcare, as a service integral to regional liveability, but not provided for explicitly by any one level or area of government. The feasibility of establishing new childcare centres is not explored in this study, recognising that the introduction of new childcare services in the region would be at the discretion of childcare providers, including not-for-profit, for-profit or community organisations, government, or local employers.

Given this, the following recommendations seek to draw on State and Federal Government initiatives, while promoting a regional multi-stakeholder response from governments, community, industry, and businesses. Importantly, these recommendations seek to address the provision of childcare from the perspective of the three typologies, recognising the differing needs of smaller and larger communities, with or without currently established childcare infrastructure and markets.

The recommendations are provided as a starting point for local, community conversations to consider solutions to this issue.

Finally, it is acknowledged that the following recommendations cannot address every concern, challenge or opportunity for providing childcare in the Maranoa and Western Downs, but rather form part of the broader work in this area.

This recognises that a study of issues in these two LGAs, whilst extremely valuable in further highlighting the challenges of regional, rural and remote childcare provision, cannot alone inform recommendations regarding broader national and state policy, regulatory and legislative changes.

Nevertheless, this research has highlighted opportunities to further explore a range of issues for the provision of childcare in rural and regional places, including:

- The role of base funding for childcare and kindergarten, particularly in the context of universal access
- Childcare worker wages and incentives
- Start-up and operational costs for centre-based providers
- The operation of the ACECQA National Quality Framework.

1

DEVELOP A REGIONAL WORKFORCE STRATEGY FOR THE CHILDCARE INDUSTRY IN THE MARANOA AND WESTERN DOWNS

Convene a multi-government, community, and business group to develop and implement a childcare workforce strategy.

The strategy should focus on integrating current actions being led by the Federal and State Governments, with local context and resources, and consider:

1. Wages and other financial incentives
2. Educator retention and re-engaging qualified educators back into the industry
3. Developing the local pipeline of workers through training options
4. Housing and liveability
5. Ongoing training, professional development and peer support networks
6. The use of visas, labour agreements and Designated Area Migration Agreements
7. Advocacy and research

The attraction and retention of workers is a significant issue across many industries and regional places, and whilst there is a need for a national focus on these issues, regions also need to focus on their own competitiveness. While regional places have often focused on the attraction and retention of essential workers in fields such as health and education, there is also a need to consider the dynamic of essential workers providing services to essential workers, for example childcare educators. It is evident across all three childcare typologies that staffing is the most significant issue

for childcare providers. Staffing is impacting the full use of current childcare infrastructure in the Maranoa and Western Downs, the ability for services to grow, the quality of services, and staff retention itself.

Job vacancy data indicates a significant increase in advertisements for child carers, early childhood education teachers and childcare centre managers across Queensland. The demand for this workforce has been echoed in the Federal Government's 2022 Skills Priority List. Interviews universally highlighted staffing as the key issue for the provision of childcare across the two LGAs, noting not only the difficulties in hiring staff, but also retention.

This report illustrates two key workforce concerns for the Maranoa and Western Downs LGAs – firstly the need to compete for educators in a market of universally high demand, and secondly the inability to retain educators in the sector. Gaps in the local learning system reduce the region's capacity to grow its own workforce; this is not an issue that can be dealt with quickly.

The ongoing discussion around wages for childcare educators is an essential component of attraction and retention. Interviewees in this study consistently highlighted that higher wages would improve worker attraction and retention. This also includes balancing out the wage disparity between teachers employed in schools and those in early childhood education. However, it is not the only lever that can be pulled in this situation.

Similar to health and education services, childcare services have a significant two-way relationship with the liveability of a place. Good liveability will help attract educators, whilst educators themselves provide services that contribute to the attractiveness of a place. There is a need to round out current policy endeavours to attract and retain educators in the Maranoa and Western Downs, with local solutions and resources.

For example, while the Queensland Government, as a part of its Early Childhood Education Workforce Strategy, provides relocation funding for childcare educators, there appears to be limited local resourcing on the other end to settle new educators into the region and meet their most immediate need – a place to live¹⁵.

In terms of developing the local learning system to grow the pipeline of workers, there are a range of options in place. However, Roma is the only town offering face-to-face training through TAFE. Whilst online options for training can support greater access in regional and rural places, and support both qualification and skill uplifts in the industry, there needs to be consideration for the learning needs of students and the connectivity issues present in areas of these LGAs. Local resources such as the Country University Centre, located in Roma, offer options in larger centres, but what support can be provided to students in smaller places such as Bell, Wandoan and Injune?

However, before the region considers how to attract and train more childcare educators, it needs to better understand existing capacity in the market, and answer the question – why are childcare educators in this region leaving the industry? This extends to questions not only regarding financial incentives, but also job requirements, workplace satisfaction and peer support.

There is also an important link between the quality of care and the consistency of staffing in childcare, with childcare users rating staff turnover as the quality issue they are most concerned about in the Maranoa and Western Downs. Efforts to attract and train more educators, and to subsequently improve perceptions regarding quality will be wasted if they cannot be retained.

Strengthening the childcare workforce will also act as an important signal to childcare providers that they can expand or enter this region's market. While workforce is not the only consideration for a childcare provider, it can be a key barrier to setting up and maintaining a service, and as identified above, is integral to good quality service. Developing workforce strategies to support the childcare sector is a priority for the Queensland Government, which has developed a range of templates to help regions design and implement workforce strategies and actions and that could be utilised here¹⁶.

Childcare has considerable government support but is essentially a market-based service, and as such can lack a clear line of responsibility in terms of workforce development, particularly for a specific region. Therefore, there is a need for relevant stakeholders in this region to work together on attraction and retention.

Similar work is currently being undertaken in Moranbah and Dysart, where the Isaac Leadership Childcare Alliance (the Alliance) has been established to help improve access to childcare, and includes childcare businesses, local government, and industry representatives. BHP have provided \$1 million in funding for the Alliance to spend the next two years working on this issue¹⁷. This approach is an example of government and industry partnerships needed, and of the role for the broader community in developing a range of solutions to meet the region's needs.

Similarly, and more locally, Toowoomba and Surat Basin Enterprise (TSBE) currently chair the Health Futures Steering Group – Western Downs, the purpose of which is to facilitate discussions and develop sustainable regional solutions for key health issues. Members of this group include private, government and not-for-profit health and aged care providers, education and training providers, and industry and government stakeholders. This group acknowledges that economically and socially beneficial solutions to healthcare challenges in the region requires input from this cross-section of stakeholders and more importantly, collaboration on actions¹⁸.

It is not suggested that regions can entirely solve these workforce issues on their own, and there is a strong place for advocacy to State and Federal Governments. But, this advocacy needs to be targeted, with a clear understanding and message of what is needed, how it can be achieved, and who can provide the solutions. The development of a workforce strategy will assist regions to answer these questions.

DEVELOP A CHILDCARE WORKER RELIEF POOL

Work with childcare providers to develop a standardised registration process for childcare workers to register as relief staff across the region. This process should have a specific focus on re-engaging qualified workers back into the industry.

Childcare providers across all three typologies are struggling to be able to meet staffing requirements, with illness and other leave requirements at times forcing them to close and/or send children home for the day. There is limited capacity, particularly among smaller providers, for educators to be able to take time off for professional development and training activities. Further, several Early Childhood Education Teachers employed in Limited Care and Combined Care places, in particular, are currently still completing their undergraduate degree (under a waiver arrangement). This means that they are often required to leave their service for a period of time to undertake professional placements. Unlike in urban areas, regional places do not have access to labour hire agencies that can provide educators at short notice to fill these gaps.

As noted above, there appears to be a number of qualified childcare workers located in the Maranoa and Western Downs who have disengaged from the industry. There may be an opportunity to partially re-engage them back into the industry via a relief pool if their reasons for dropping out of the workforce can be understood and terms of their re-engagement can be made attractive enough. This may look like financial incentives, flexible-working arrangements, peer support networks, that support knowledge sharing and development.

Noting that the childcare markets in the Maranoa and Western Downs include a variety of providers, this pool would need to be developed in partnership with them to ensure policies and standards are being met.

While this pool would not solve the broader workforce issues within the industry, it could take some pressure off providers and ensure better continuity of care. It should also be integrated into the broader workforce strategy. Feedback from educators and industry stakeholders indicated that while having relief educators available would be useful, in smaller and more isolated towns it is not particularly feasible, due to the distance and travel and accommodation costs.

Setting up this pool may also provide an opportunity to support the use of relief educators to provide cover for educators undertaking further education and training, through targeted grant funding that will pay for the relief educators wages and expenses, in addition to just the training itself.



3

PROMOTE AND PROVIDE START-UP SUPPORT FOR FAMILY CHILDCARE PROVIDERS

Promote family day care opportunities, through a coordinated regional campaign.

Provide grant funding to cover the cost of training, infrastructure improvements and equipment purchases for family day care educators.

The requirements on family childcare educators to establish a childcare service are considered both necessary to ensure quality and safety, but also onerous. Noting the interviewees reported decline and higher turnover in the number of family day care providers in these two LGAs, along with the research by Family Day Care Australia, there needs to be a targeted approach to attracting and retaining these educators and businesses.

Encouraging more family childcare businesses not only provides greater access and choice in the childcare market but is also a lower cost option for establishing a long day care service in a smaller place. As such this recommendation is targeted at all three childcare typologies.

The campaign should focus on promoting the benefits, for educators and families, building on the research by Family Day Care Australia regarding the profile of workers, and addressing the barriers to the entry.

This campaign should form a component of the workforce strategy and have a focus on the significant demand and opportunities in the Maranoa and Western Downs, particularly to provide bespoke services to specific segments of the childcare market such as shift workers, the workplace benefits (work from home, salary uplift etc), and the options for training to be funded.

There are ways to support new family day care businesses in the interim. The establishment of a family childcare business can require a range of modifications to the house and outside environment which can be costly, particularly for an educator who is renting. As such, there is an opportunity to support educators by mitigating these costs, through targeted grant funding.

These same issues have been highlighted in the National Children's Education and Care Workforce Strategy, which also noted efforts by the Orange City Council to assist the start-up of family day care businesses through one-off \$2,000 payments²⁷.

4

COMMUNITY OWNED FAMILY DAY CARE HOUSE

Identify and support the fit-out of community owned houses for family day care.

As noted in Recommendation 3, the set-up of a family day care business can be an onerous process and is reliant on the availability of a suitable home – either owned or rented. However, the role of housing in the availability of childcare was a consistently raised issue for both attracting childcare workers to the region, and in supporting the ongoing availability of family day care providers.

The availability of housing in these two LGAs is already challenging and would be augmented by the infrastructure and safety needs of a family day care. Further, a weakness in the family day care model is that when an educator leaves a place they take their business with them, and a new educator must start from scratch.

While there is the option to provide in-venue care, which operates as an exception to normal processes and policies for family day care allowing for care to be undertaken in a venue rather than a residential building, the regulation of these venues is equal to that of centre-based care. However, in-venue care operates with the same ratios as family day care – one educator to four children. As such, while it has been implemented in some communities in the Maranoa and Western Downs where an existing venue (such as former kindergarten) has been available, setting up other venues for this purpose is not considered practical. However, there may be the opportunity, particularly in Limited Care and Combined Care towns, to set-up a house for the purpose of attracting a family day care educator.

This would negate some of the housing pressures currently being experienced in this region, by offering the opportunity for an educator to set-up in a community-owned house. A community-owned house would provide the ongoing infrastructure for long day care and housing, requiring only a qualified educator. Having this option could act as an attractor for educators looking to set-up, whilst also potentially reducing the time and cost to set-up a new service if an educator leaves.

SUPPORT KINDERGARTEN TO PROVIDE LONG DAY CARE

Work with Limited Care towns to assess the feasibility of transitioning stand-alone kindergartens to combined kindergarten and long day care centres.

Provide support to make the transition through infrastructure funding, governance and capacity building, and targeted workforce attraction and retention actions.

There is an opportunity in Limited Care towns to transition stand-alone kindergartens to combined kindergartens and long day care centres to provide greater access to childcare and meet demand for more childcare.

Feasibility of providing long day care would need to be assessed on a case-by-case basis, to consider the ongoing demand for long day care, funding arrangements, staffing needs, infrastructure needs and regulatory requirements. It is also important to acknowledge that the requirements for operating a kindergarten and a long day care centre are different and a number of kindergartens in this region are run by volunteer management committees who may not have the industry expertise to manage this kind of transition. Further, the infrastructure needs of some kindergartens would require significant capital expenditure to upgrade them.

It is also important to note that operation of stand-alone kindergartens differ significantly to long day care centres – aligning more closely to school hours and terms. As such, staffing requirements would need to change significantly, with the increase in the hours of care provided in a day, the number of days provided each week, and the need to cover periods such as school holidays. This will not suit all Early Childhood Teachers and other kindergarten staff – and so it will be critical to work with providers and their staff to navigate these changes to ensure retention of these essential staff members.

Noting these issues, it will be important to consider the extent to which a kindergarten could reasonably provide long day care, and whether limited care or a staged approach to the introduction of long day care would be appropriate. For example, providing care for older age groups first, which do not require specific facilities.

Finally, this recommendation is not targeted towards all stand-alone kindergartens. Stand-alone kindergartens make up an important segment in the childcare and early education market and offer parents choice about the early learning environment in which they place their children. However, in Limited Care towns they offer the opportunity to increase the economies of scope and scale of current resources to meet the growing demand for childcare in these smaller places.

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