

Wednesday April 26, 2023

Australian Government Productivity Commission  
Early Child Education and Care Inquiry

To Whom it May Concern,

I write on behalf of the Loddon Campaspe Group of Councils. Our group comprises the municipalities of Buloke, Campaspe, Central Goldfields, Gannawarra, Greater Bendigo, Hepburn, Loddon, Macedon Ranges and Mount Alexander – a combined area stretching from Gisborne to the Murray River with a population of approximately 300,000 people.

In response to your inquiry into early childhood education and care, we write in support of work completed in June 2022 by Regional Development Victoria for the Loddon Mallee Regional Development Australia Committee, Loddon Campaspe Regional Partnership and Mallee Regional Partnership. The report can be [viewed here](#).

The focus of this report is on the delivery of early childhood education and care (ECEC) in rural communities in the Loddon Mallee, specifically Buloke, Gannawarra and Loddon Shires, however the findings are relevant to any 'small rural towns'.

Mainly, the challenges focus on attracting and retaining early childhood educators in rural areas, costs associated with running childcare across wide geographic areas where there is not a critical mass, disconnected funding systems between State and Federal governments hindering novel joint-use solutions required in rural areas, and socio-economic disadvantage leading to higher travel costs and current funding arrangements leaving families out of pocket.

To overcome the problems faced in accessing childcare in rural areas, the following interventions were proposed:

- Incentivise rural staff accreditation and retention
- Provide medium-term assurance of rural service availability and reliability
- Harmonise regulation and funding streams across government
- Flexibly operate and price rural service delivery

For the Loddon Mallee area, a cost benefit analysis found that implementing the proposed interventions would increase economic welfare levels and deliver a cost benefit ratio of \$1.32 for every \$1 invested in childcare.

Following the report, an advocacy document released in March 2023 by Regional Development Victoria for the Loddon Mallee Regional Development Australia Committee made the following requests of Federal and State governments:

- Increase the Federal Child Care Subsidies Program by 9% to services to improve wages, conditions, retention of educators, and fund service leadership and administration
- Ensure the additional Child Care Subsidy for disadvantaged families (over and above the 9%) is maintained at its current rate and promoted in rural areas
- At the State level support co-location of childcare services with primary schools, kindergartens and potentially Maternal and Child Health or other services
- Both State and Federal Governments to find solutions to regulatory barriers



The advocacy document is an attachment to this submission.

Cost effective intervention would create sustainable rural childcare but all levels of government need to be committed to overcoming current barriers.

There are also naturally considerable societal benefits to improved access to childcare, including improved resilience, educational and social development of rural children, improved gender equity and workforce participation in rural areas, and improved confidence in long-term service provision.

The Loddon Campaspe Group of Councils strongly encourages the Productivity Commission to consider the recommendations from this work by Regional Development Victoria for the Loddon Mallee Regional Development Australia Committee.

Yours sincerely,

Cr Andrea Metcalf  
Mayor, Greater Bendigo City Council  
On behalf of the Loddon Campaspe Group of Councils