



An Australian Government Initiative



17 May 2023

Early Childhood Education and Care
Productivity Commission
Locked Bag 2, Collins Street East
MELBOURNE VIC 8003

RE: Submission on the Inquiry into Early Childhood Education and Care (ECEC)

Thank you for the opportunity to provide a submission on the Productivity Commission inquiry into Early Childhood Education and Care (ECEC).

Regional Development Australia (RDA)

Regional Development Australia (RDA) is a partnership between the Australian, state and territory and local governments to support the growth and development of Australia's regions.

This Australian Government initiative brings together all levels of government, business and community to support the development of regional Australia.

RDA Committees have an active and facilitative role in their communities with a clear focus on growing strong and confident regional economies that harness their competitive advantages, seize economic opportunities and attract investment.

Regional Development Australia Barwon South West (RDA BSW) regularly provides advice to the Australian Government and is committed to working with stakeholders across the region on critical development issues that positively and negatively affect the region.

Childcare in the Barwon South West

With low childcare availability, our rural workforce is further depleted, and children are missing out on important early-years education. The 'Enabling Early Childhood Education & Childcare in Rural Areas' report says investing in the recommended interventions would have a BCR of \$1.32 for every \$1 spent.

While there are many reasons driving women's workforce participation, access to childcare is recognised as a significant factor, particularly in the Barwon South West region and even more so in remote towns such as Apollo Bay and Hawkesdale. The largest employing sectors for women are healthcare and social assistance, retail trade, education and training, accommodation and food services, all experiencing significant workforce shortages.

OFFICIAL

Issues with accessing childcare are most acute in rural and regional areas. Of the 1.1 million Australians with no access to centre-based day care within a twenty-minute drive, almost all of these are outside Australia's major cities. (*Mitchell Institute and Victoria University - Election 2022 Education policy brief: Early childhood education and care*).

Please see attached case studies that outline some of the challenges faced in regional and rural areas. ([Case Study 1](#) and [Case Study 2](#)).

Should you wish to discuss any details within the submission, please do not hesitate to contact me via email rda.barwonsouthwest@rdv.vic.gov.au.

Yours sincerely,

Anita Rank
Chair
Regional Development Australia Barwon South West

Attachments:

- [Case Study 1: Productivity Commission Inquiry into Early Childhood Education – Apollo Bay Case Study](#)
- [Case Study 2: Productivity Commission Inquiry into Early Childhood Education – Glenelg Shire Council Case Study](#)

Productivity Commission Inquiry into the Early Childhood Education and Care (ECEC) sector in Australia

Case Study 1: Childcare in Apollo Bay

Access to high-quality, affordable and close-to-home childcare is recognised as a key foundation for workforce participation. There is significant concern about the future of childcare provision in Apollo Bay for the township and nearby coastal communities. The challenge is highlighted in this case study to the Productivity Commission's Inquiry into the Early Childhood Education and Care sector.

Apollo Bay is a small town on the Great Ocean Road, with a permanent population of approximately 2,300 when neighbouring localities of Skenes Creek and Marengo are taken into account. Key demographic features of Apollo Bay, when compared against the regional and state averages, include a much lower average population under 40 years and a much higher than average population over 60 years.

Like many coastal towns, Apollo Bay has a scarcity of affordable housing, impacting on the ability to attract and retain key and essential workers. It is challenged by its distance from large population centres, with the nearest regional town of Colac approximately one hour's drive away. As the township is relatively isolated from larger population centres with more affordable housing, daily commuting from these centres is not a realistic long-term option.

The town's kindergarten service, which also services families from neighbouring coastal towns such as Kennett River, has too often been forced to close at short notice due to staff shortages. This results in parents having to take time off work to look after their children when the kindergarten unexpectedly closes. As a town that is heavily reliant on the visitor economy, many parents work casual shifts and their hours of work depend on availability and reliability. Any disruption to early years education and the ability of parents to work directly affects the local economy as well as essential services.

Some kindergarten staff travel excessively long distances, and while the Otway National Park and Great Ocean Road are scenic, there are times when these are not easy or safe commutes. Some staff also live away from their home residence during the week to sustain the service and it has been reported that professional kindergarten staff are resorting to living in short-term backpacker accommodation and shared houses. Other workers are fearful of losing their long-term rentals in Apollo Bay, knowing that they would not be able to find and/or afford alternative accommodation.

Apollo Bay's privately-run childcare service is licenced to offer 42 places per day, but is only able to offer up to 24 places per day due to ongoing staff shortages. It has a waitlist of more than 30 families. The Mitchell Institute's investigation into 'childcare deserts' in Australia failed to recognise the extent of the challenges Apollo Bay is experiencing because this localised information was not part of its study. Low-paid childcare educators cannot afford to rent in the town even if long-term rentals were available.

The privately-operated childcare service is located in a building owned by Great Ocean Road Health (GORH). GORH has historically provided low-cost rooms to the childcare operators to

ensure the service remains available for its health care staff and the broader community. Notwithstanding, GORH now requires the rooms to expand much-needed allied health services and has asked the childcare provider to relocate by the end of 2023. The provider says it is not financially viable to relocate due to high property prices and the absence of long-term rental options, in addition to the staff shortage challenges which already affects its viability.

The cessation of childcare provision in late 2023 will have a dramatic impact on workforce participation and in turn on the capacity of local business and provision of essential services, especially in the health care and education sectors. A quick analysis of current childcare use by essential services reveals that changes would have an immediate impact on:

- Primary health services with GORH staff who utilise approximately 15 childcare places.
- Schooling, with nine Apollo Bay P-12 College staff either currently using childcare (3), are looking to return to work shortly (3) or have just started parental leave (3). The school has 35 staff (26.3 FTE).

Access to childcare is already profoundly lower across regional Victoria than in metropolitan Melbourne. The female workforce participation rate (57.7%) is also lower than for men (65.2%). While there are many reasons driving workforce participation, access to childcare is recognised as a significant factor, particularly in the Barwon Region and even more so in remote towns such as Apollo Bay.

Closure of the town's only childcare centre would also deter young families from moving to the town at a time when the town badly needs more young families to ease its worker shortages and sustain the volunteer base needed for the ever increasing demand on local essential services such as the Country Fire Authority, State Emergency Service, Ocean Rescue, Ambulance and Surf Lifesaving, and to support its school, sports and community service organisations.

There is an opportunity to develop the Apollo Bay P-12 College site in a manner that includes childcare by extending on the existing Kindergarten on School Site. Council has been advocating to the Victorian Government for one of the state-operated childcare centres under the recently-announced *Best Start, Best Life* policy. A state or federal government-funded childcare centre is urgently needed to ensure that Apollo Bay is not plunged into a childcare crisis in late 2023. Concept plans have been prepared for integrated childcare services at the Apollo Bay P-12 site, which could be a viable solution to meet the impending collapse of childcare in the town.

Government funding priorities based solely on Australian Early Childhood Development Census (AEDC) results and Socio Economic Index for Areas (SEIFA) data don't give the full picture of ECEC challenges facing Apollo Bay, nor does an examination of licenced places versus children in the early years cohort. The reliance on historic data doesn't consider the potential for improved community health and wellbeing and economic growth that can result from providing more reliable and sustainable ECEC.

Investing in a sustainable ECEC system offers a quadruple dividend – it sets children up for a great start in life, helps working families to get ahead, enables workforce participation and economic prosperity, and promotes volunteerism in the community.



Productivity Commission Inquiry into the Early Childhood Education and Care (ECEC) sector in Australia

Case Study 2: Early Childhood Education and Care in the Glenelg Shire Council

There is ongoing and growing concern in the community about the significant challenges facing the Glenelg Shire and our ability to provide early childhood education and care (ECEC) to our families. Key challenges identified are workforce shortages and growing waiting lists, qualification requirements and quality of service and service delivery pressures. All three concerns are outlined in this submission to the Productivity Commission's Inquiry into the Early Childhood Education and Care sector.

The Glenelg Shire Council is in the Barwon Southwest region of Victoria, located in the south-western part of the state. It covers an area of 6,212 square kilometers and has a population of 20,152 and includes the towns of Casterton, Dartmoor, Heywood, Narrawong, Merino and Portland. Key demographic features of the Shire are that there is growing cohorts of the young work force and families, primary schoolers, households without children, retirees and seniors.

Council delivers ECEC programs across six (6) services in the localities of Portland, Dartmoor, Casterton and Heywood which are summarised in the table below.

Service	Location	Programs	Number	Waiting List
Dartmoor Children's Centre	Dartmoor	Long Day Care Multi Aged Kindergarten Program	LDC – 9 (+ After kinder children x6) 3YO - 3 4YO - 4	LDC - 4
Heywood Kindergarten	Heywood	Multi Aged Kindergarten Program	3YO - 8 4YO - 14	Nil
Kalbarri Kindergarten	Portland	Kindergarten 3YO Group 4YO Group	3YO – 21 4YO - 21	3YO – 5
Jaycee Kindergarten	Portland	Kindergarten 4YO Group Multi Aged Program	3YO – 32 4YO - 29	3YO – 5
KMC Kindergarten	Portland	Long Day Care Multi Aged Kindergarten Program	LDC - 76 3YO – 18 4YO – 23	LDC - 33
PCFC Kindergarten	Portland	Long Day Care Kindergarten 3YO Group 4YO Group	LDC - 83 3YO – 21 4YO – 20	LDC - 121 3YO – 5

The remote location of all townships in the Shire, means that families are unable to seek alternative options for ECEC with Port Fairy (Moyne Shire Council) 72km away being the next major and closest township offering ECEC.

The Children's Services team in Glenelg Shire continues to experience staffing shortages and high numbers of enrolments for all programs on offer, across all centres in the Shire.

Workforce shortages and growing waiting lists present as the key issues and are intrinsically interconnected. Current staffing shortages are resulting in growing waiting lists and as of 18 May 2023 there are approximately 173 children on waiting lists for our council-managed early years programs. The recruitment supports and relocation incentives offered by the State Government are appreciated, however the program is yet to deliver successful outcomes for our Shire. Council would be able to accept additional children if we address the resourcing shortfalls.

We continue to experience a significant shortage of Bachelor Qualified staff. Council has invested in self-study initiatives and offered numerous traineeships to address these shortfalls. While Council has been granted waivers to assist in maintaining service levels, these are only a short-term solution.

Council recognises quality of service and service delivery pressures as the third most pressing issue for the sector in the Shire. Currently, all of Council's six services are rated as 'Exceeding' the National Quality Standards and significant effort is made to maintain high quality of service for our community. We fear the introduction of additional programs may compromise delivery standards if we are unable to resource our facilities adequately. We anticipate further significant pressures in the future due to the roll out of Pre-Prep from 2025.

To meet the National Quality Framework child ratio requirements, staff are often required to travel long distances to other centres to enable Council to continue to run a service, this is exacerbated in winter months when staff absences increase due to illness, which adds to existing workforce pressures. Access to quality childcare is increasingly critical to Australian children, families and the economy and access to childcare is already lower across regional Victoria than in metropolitan Melbourne.

In a research report *Deserts and Oases: How accessible is childcare in Australia?* (March 2022) the Mitchell Institute reveals that where you live matters in relation to ECEC. Families in regional areas are the most at risk of suffering from poor access to childcare services. There are also concerning correlations between access to childcare and socio-economic status. And furthermore, where the demand for space in ECEC outpaces local capacity to provide services, 'childcare deserts' are found. A childcare desert is defined in the study as a populated area where there are more than three children per childcare place, or less than 0.333 places per child aged four or under. A map by the Institute outlines the spatial accessibility of childcare across Australia and indicates that for Portland City, there are 0.291 places per child and 100% of the city is in a desert. The remainder of the Shire has 0.390 places per child and 62.7% of the Shire is in a desert.

Council have worked hard to advocate for the sector and have been actively pursuing numerous recruitment and training initiatives such ongoing and open recruitment opportunities, engagement with the Department of Education, Early Childhood Trainees, supported work placements, promotion at Careers, Jobs, and Skills Expo's, participation in the Glenelg Southern Grampians Local Learning Employment Network (LLEN), promotion of the Certificate III and Diploma Course (both free) and offered in Portland and upskilling via Council's self-study policy. While Council has implemented these measures to increase the capacity and capabilities of our existing workforce and support young people to work in the early years sector, shortages still exist and we have a number of vacancies for early childhood staff across our services that remain unable to be filled.

Additional funding to update ECEC infrastructure will not address the issue of sustainable provision of quality early years services in the Glenelg Shire. While the Council acknowledges that the Federal and State Government have recently implemented a range of initiatives to support the early childhood education and care workforce, these initiatives need to be accelerated to ensure a viable ECEC system moving forward.

There is a need for new approaches to ensure all families have access to the early learning and care that they need to help children thrive.