



The Hon Fiona Nash
Regional Education Commissioner
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Early Childhood Education and Care
Productivity Commission
Locked Bag 2, Collins St East
MELBOURNE VIC 8003

Dear Commissioner Gropp, Commissioner Stokie and Associate Commissioner Brennan,

Productivity Commission Inquiry into Early Childhood Education and Care – Draft report

Thank you for the opportunity to respond to the Productivity Commission inquiry into early childhood education and care (ECEC) draft report – *A path to universal early childhood education and care*.

In line with my remit as Regional Education Commissioner, I have considered your findings and recommendations, and their potential significance for the delivery of high quality ECEC across regional, rural and remote Australia. It is pleasing to see consideration of regional, rural and remote Australia throughout the draft report and recognition of the challenges that regional, rural and remote areas face to deliver services in thin markets.

My comments in this submission build on those I made to this inquiry in 2023 and respond to requests for further information in the draft report.

Draft recommendations

I highlight several draft recommendations as they relate to the delivery of ECEC in regional, rural and remote Australia.

I welcome the draft report's recommendation that all children aged 0-5 years have access to up to 30 hours subsidised care per week without an activity requirement ([Draft recommendation 6.2](#)). As the draft report makes clear, the best methods to support supply must be considered to meet this benchmark in regional, rural and remote areas. It is especially welcome that the Commission has recommended supply-side funding in persistent thin markets, and that various forms of care, including family day care and mobile care, should be considered for funding ([Draft recommendation 5.1](#)). I believe this approach would provide much needed stability of funding and flexibility to allow ECEC providers to meet the varying needs of their communities. I encourage the Productivity Commission to continue exploring solutions to support the provision of high-quality care in thin markets, such as potentially the delivery of online education combined with in person care.

I also welcome the importance the draft report places on resolving the workforce challenges the ECEC sector currently faces. As raised in my previous submission, attracting and retaining a qualified workforce is vital to maintaining a strong ECEC sector in regional, rural and remote areas. An inability to attract and retain enough workers can limit the number of places a service can offer, and many services could provide care to more children if they were able to access more staff. Stakeholders have raised with me that upgrading qualifications can be onerous for some ECEC staff, particularly those with older qualifications, discouraging them from completing the process. Barriers to staff accessing higher qualifications may prevent services from offering places to more families, as they cannot access enough suitably qualified staff to meet regulatory requirements.

As such, I strongly endorse the draft report's recommendations to reduce barriers to educator upskilling ([Draft recommendation 3.1](#)) and support professional development ([Draft recommendation 3.6](#)) for ECEC staff. I encourage the Commission to consider additional interventions, such as ways to improve and

increase local training options to allow early childhood educators to study and undertake professional development in-region, and while working.

I also welcome the draft report's recommendation to improve pathways and support for First Nations people to obtain ECEC qualifications ([Draft recommendation 3.5](#)). First Nations educators share many of the unique experiences of First Nations children and can nurture and certify their cultural knowledge. First Nations knowledge is also essential for developing culturally relevant and bilingual curricula. As the draft report notes, pathways for First Nations people to obtain ECEC qualifications need to be improved to better recognise the value of their cultural knowledge and experience in educating and caring for children, and consider ways to acknowledge this value, such as in the form of recognition of prior learning.

Assistance for Isolated Children – Distance Education Allowance

I encourage the Productivity Commission to continue to examine extending the Assistance for Isolated Children – Distance Education (AIC-DE) allowance to 3–4-year-olds undertaking an approved pre-compulsory distance education program ([Information request 6.4](#)), as an intervention that may increase access to and participation in ECEC in the regions.

The AIC-DE currently provides financial assistance towards incidental costs incurred by geographically isolated families whose children are undertaking an approved course via distance education; however, the allowances are only available for the primary, secondary or tertiary levels, not for pre-compulsory education programs.

Under the Preschool Reform Agreement, Australian children are entitled to at least 15 hours of quality programmed preschool education in the year before they start school. However, barriers such as the distance from remote locations to physical preschool programs prevent some children from accessing this entitlement. Without access to AIC-DE allowances for the delivery of pre-compulsory education programs at home, families must bear the costs of providing suitable learning resources. This intervention could increase access to and participation in ECEC in the regions by reducing the financial burden on remote families who have no option other than to deliver the preschool program themselves.

Further considerations

Since making my previous submission, I have continued to engage with the ECEC sector in regional, rural and remote Australia and have been made aware of further potential policy changes that may assist in addressing ECEC shortages in regional, rural and remote areas. I encourage the Commission to examine the practicality of these interventions:

- Increasing the current legislative limits on educators and children in an approved Family Day Care venue, such as a council building, to allow two approved Family Day Care educators to care for no more than 14 children (compared to the current limit, which is one educator caring for no more than 7 children). This change would maintain the current educator to child ratio while providing more childcare places at a single venue.
- Allowing an In Home Care educator to care for children from more than one family in at the same time in remote areas where families co-locate (such as pastoral stations). This would remove the current requirement for these families to source multiple early childhood educators to provide care in the same location, for only a few children.
- Providing students undertaking an ECEC qualification who are not currently employed in the ECEC sector with paid placements where they temporarily relocate to a regional, rural or remote area to complete a placement. This would build on the recommendation to provide financial support to ECEC services so they can provide paid leave to educators completing supervised professional experience requirements ([Draft recommendation 3.1](#)), ensuring that cost is not a barrier to undertaking an ECEC qualification.

I hope that this information is useful. Please do not hesitate to contact me if you would like to discuss these comments.

Yours sincerely,

Fiona Nash
Regional Education Commissioner