



WESTERN AUSTRALIAN GOVERNMENT SUBMISSION TO PRODUCTIVITY COMMISSION INQUIRY INTO EARLY CHILDHOOD EDUCATION AND CARE

INTRODUCTION

The Western Australian (WA) Government welcomes the opportunity to provide a submission to the Productivity Commission's inquiry into the early childhood education and care (ECEC) sector.

The WA Government acknowledges the important role the ECEC sector plays in supporting children, families, communities, and the broader economy. Access to high quality, culturally appropriate early childhood education is critical for child development and educational outcomes, particularly for children experiencing disadvantage and vulnerability, and in supporting improved economic outcomes for women.

The WA Government has long recognised the importance of providing WA children and families with equitable access to high quality preschool education by delivering year before fulltime school (YBFS) education, known as Kindergarten, in school settings. This has meant that generations of four year old children have been able to attend a Kindergarten program at their local public school wherever they live and be supported in their transition to full-time school. WA has almost universal enrolment in YBFS early childhood education in school and community kindergarten settings.¹ In public school settings, this has been achieved through significant investment by successive WA Governments in school infrastructure, qualified early childhood teachers and education assistants, and resources. This delivery model also means that for WA Child Care Subsidy (CCS) funding has not supported YBFS education to the same extent as other jurisdictions.

The WA Government recognises that WA families are increasingly choosing to supplement their child's Kindergarten days or hours with an ECEC preschool program, with 27 percent of WA children in the YBFS cohort enrolled in a preschool program now attending multiple preschool services.² Children in the 0-3 age group are also attending ECEC services in WA in increasing numbers.³ The WA Government acknowledges the draft National Vision for ECEC which contemplates a thriving Australian society where every child can access and participate in high quality, culturally responsive ECEC, including preschool, and every parent can access an affordable, high quality service to support their participation in the workforce.⁴ However, under current settings, not all parents in WA have the option to send their

¹ Productivity Commission (2023), Report on Government Services 2023, Table 3A.17. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>

² Australian Bureau of Statistics (2023), Preschool Education, 2022, Table 28. <https://www.abs.gov.au/statistics/people/education/preschool-education/latest-release>

³ Productivity Commission (2023), Report on Government Services, Early Childhood Education and Care, Table 3A.14. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>

⁴ Department of Education (2023), Draft National vision for early childhood education and care. <https://www.education.gov.au/early-childhood/resources/draft-national-vision-early-childhood-education-and-care>

children to an ECEC service because it is not always accessible, available or affordable. Children are missing out on the educational and developmental advantages of attending high quality ECEC and primary carers are not able to participate in the workforce or increase their working hours.

The national approach to funding and quality regulation of ECEC services has resulted in a welcome expansion to the sector with ECEC available to many families in combination with reasonably uniform, regulated quality services. However, the marketisation of the sector has led to gaps in service provision and inequitable access to ECEC services across the state. WA has diverse regions with different population distributions, economic resources, and cultural needs which creates challenges for service delivery that does not support a 'one size fits all' approach. Distances between population centres and lack of complementary services in some regions exacerbate the challenge and complexity.

To support WA children and families, the WA Government delivers programs to improve Kindergarten readiness for targeted cohorts and also funds Child and Parent Centres which provide programs and services including child development services and parenting programs. The WA Government has also implemented a range of measures to support access to ECEC services, particularly within regional and remote areas. This includes grants to attract and retain early childhood education and care workers in regional WA and the implementation of targeted training initiatives to help build the pipeline of skilled childcare educators. However, the Commonwealth Government is the primary steward of the ECEC sector and holds a number of the critical levers that would support more equitable, affordable, high quality and accessible ECEC services for WA children and families.

This inquiry provides an opportunity for the WA Government to highlight issues with current policy, funding and regulatory settings and suggest some areas for improvement for the Productivity Commission's consideration.

This submission also outlines WA initiatives to harness opportunities and address challenges including:

- to improve Kindergarten readiness including for targeted cohorts, through Child and Parent Centres, Kindlilink, CaLDEYLink and the Early Years Partnership with Minderoo;
- to build the ACCO sector and workforce; and
- to address workforce issues including in our regions, through a range of initiatives such as WA's Regional ECEC Workforce Action plan, the provision of low fee or fee-free training, the 'Job Ready' pre-employment program and grants to local governments to attract and retain ECEC workers.

WA CONTEXT

Overview

Information about the WA ECEC sector and programs provided by the WA Government to support child development and educational outcomes is provided in Appendix 1.

Economic activity in Western Australia remains elevated albeit easing from strong growth in recent years. Notwithstanding this, the State's labour market remains very tight, with job advertisements and employment near record levels, and the unemployment rate expected to average 3.5 percent in 2022-23, which would be the lowest annual rate in 15 years. There are persistent reports of shortages of skilled labour, which place significant constraints on the State's economy in the short to medium term, particularly in regional areas.

In May 2023, the overall workforce participation rate in WA was 68.9 percent which comprised 63.8 percent women and 74.1 percent men.⁵ If women's workforce participation was increased to 68.9 percent, more than 59,000 women could potentially be available to work (noting, however, that the decision to return to work is influenced by many different factors).

WA has one of the highest rates nationally of children assessed to be on track on all five domains of the Australian Early Development Census (AEDC) at the start of fulltime school.⁶ While the percentage of Aboriginal and Torres Strait Islander children assessed as developmentally on track on all five domains has steadily improved since 2009, the rate of improvement has slowed in recent AEDC cycles and, in 2021, was 31.3 percent.⁷

Aboriginal and Torres Strait Islander people are 3.3 percent of Western Australia's population, and there are around 9,300 Aboriginal and Torres Strait Islander children aged 0-4 across the state. Just over half (50.9 percent) of Aboriginal and Torres Strait Islander people in WA live outside of the Greater Perth region, compared with only 18.1 percent of the non-Indigenous population.⁸ Of Aboriginal and Torres Strait Islander people in WA, most (77.2 percent) use only English at home, and one in eight (12.6 percent) use an Aboriginal or Torres Strait Islander language at home.⁹

One in every five West Australians (18.7 percent) speak a language other than English (LOTE) at home, an increase from 17.7 percent in the 2016 Census.¹⁰ Additionally, of this LOTE speaker group, 12.1 percent reported as having low English proficiency. Results from Census 2021 show that:

⁵ Australian Bureau of Statistics (2023), Labour Force, Australia, May 2023.

<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release>

⁶ Australian Early Development Census (AEDC) (2022), AEDC National Report 2021.

<https://www.aedc.gov.au/resources/detail/2021-aedc-national-report>

⁷ Productivity Commission (n.d.), Closing the Gap Information Repository, Dashboard, Socioeconomic outcome area 4.

<https://www.pc.gov.au/closing-the-gap-data/dashboard/socioeconomic/outcome-area4>

⁸ Australian Bureau of Statistics (n.d.), Rest of WA, 2021 Census Aboriginal and/or Torres Strait Islander people QuickStats.

<https://abs.gov.au/census/find-census-data/quickstats/2021/IQS5RWAU>

⁹ Australian Bureau of Statistics (2022), Western Australia: Aboriginal and Torres Strait Islander population summary.

<https://www.abs.gov.au/articles/western-australia-aboriginal-and-torres-strait-islander-population-summary#sources>

¹⁰ Office of Multicultural Interests (n.d.), WA diversity and statistics.

<https://www.omi.wa.gov.au/resources-and-statistics/wa-diversity-and-statistics>

- 91.2 percent of people from culturally and linguistically diverse (CaLD) backgrounds live in metropolitan Perth compared to 79 percent of all West Australians;
- 32.2 percent of West Australians are born overseas;
- Over 25 percent of West Australians reported CaLD ancestry; and
- The top languages other than English spoken at home in WA were: Mandarin, Italian, Vietnamese, Punjabi, Cantonese, Tagalog, Arabic, Afrikaans, Spanish and Filipino.¹¹

Availability of places in regional and remote areas

According to Mitchell Institute research undertaken in 2022, WA had the lowest overall accessibility of centre-based care for children aged 0-4 years in Australia at 0.28 places per child (compared to the national median of 0.38 places per child), and all of WA's regions and most of the local government areas (LGAs) were assessed as childcare deserts.¹² It is important to note this research focused on centre-based care, but other types of care such as Family Day Care, outside of school hours care (OSHC) and in-home care also form an important part of the ECEC sector, particularly in regional and remote areas where they may be the only form of care available.

There are 287 ECEC services in regional WA, which represents 20 percent of the services provided in WA. For-profit providers deliver 57 percent of services and are more likely to operate in large regional towns.¹³ Of the 1,014 Family Day Care educators across the state, only 142 are in regional WA. Local government authorities in some regional areas provide approved ECEC services and there are others that provide support to local providers. Local government infrastructure and local libraries also play an important role in facilitating early years engagement in regional areas.

Barriers to service provision in regional and remote areas include:

- Lack of available staff - The cost of living and availability of affordable housing in regional areas and competition with wages offered by other sectors including the resources and school education sectors are affecting the attraction and retention of the ECEC workforce. Workforce issues are discussed in more detail later in this submission.
- Constraints for new market entrants or growth of existing services - The cost of infrastructure development, supply chain issues, development and planning approvals, fluctuating thin markets and low labour force availability constrain the development and growth of new and existing services. Smaller numbers of children and attendance levels can affect the financial viability of smaller providers.

¹¹ Ibid.

¹² The Mitchell Institute (2022), Deserts and Oases: How accessible is childcare in Australia? <https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>. The Mitchell Institute defined "childcare desert" as a populated area where there are less than 0.333 childcare places per child, or more than three children per one childcare place.

¹³ Australian Children's Education & Care Quality Authority (2023), NQF Snapshot: Q1, 2023. <https://www.acecqa.gov.au/sites/default/files/2023-05/NQF%20Snapshot%20Q1%202023%20FINAL.PDF>

- Unsustainable financial models – The CCS does not support the additional provider costs of operating in regional and remote locations such as higher employment costs, lower ratio numbers to support children with additional needs, and higher ongoing incidental costs such as food and supplies. The CCS also does not recognise the higher costs associated with delivering care places for babies/toddlers (including equipment and higher staffing ratios) compared to caring for relatively independent four-year-old children which can particularly impact the financial viability of smaller services. The WA Government notes the South Australian Royal Commission recommendation that the Commonwealth consider introducing differential pricing in the CCS for services for young children which will require higher staffing ratios.¹⁴ Similarly, the inquiry could consider differential pricing depending on the costs of delivering services in regional and remote locations.

These barriers contribute to each other, building on the challenging environment that ECEC providers face in delivering quality services to regional WA. While these factors are experienced by providers throughout Australia, WA's small populations, distances between population centres and lack of complementary services in some regions exacerbate the challenge and complexity.

The lack of supply in regional and remote areas can be an impediment to the attraction, retention and participation of workers across the broader economy in regional WA including essential workers such as health care workers. In some towns where there are insufficient staff for ECEC services, this inhibits the ability of parents to work or study, including those parents who may wish to obtain a qualification to work in the ECEC sector. The reduced opportunity to work or study has the potential to affect a number of other occupations in regional towns which can detract from the overall attractiveness of the region, inhibiting attraction and retention even further.

Commonwealth initiatives to support service provision in regional and remote areas, such as the Commonwealth Community Child Care Fund (CCCF) grant program, are welcomed, and the WA Government notes that the Wunan Foundation in Kununurra has recently been awarded with grant funding.¹⁵ However, the CCCF is time limited funding focused on specific needs and cohorts. To enable the functioning of regional and remote markets, the WA Government established a grants program (2022-2025) available to LGAs to support the attraction and retention of ECEC educators in regional WA.¹⁶ The WA Government has previously provided a Regional Economic Development grant to support the establishment of the Denham Family Day Care Centre in partnership with the Shire of Shark Bay to fill a critical need in the community.¹⁷

¹⁴ Government of South Australia (2023), Royal Commission into Early Childhood Education & Care Interim Report. <https://www.royalcommissionecec.sa.gov.au/documents/RCECEC-Interim-Report-Version-2-Website.pdf>

¹⁵ Minister's Media Centre (2023), Delivering early childhood education and care services for remote communities. <https://ministers.education.gov.au/aly/delivering-early-childhood-education-and-care-services-remote-communities>

¹⁶ WA Government, Attraction and retention packages for regional childcare workers program, [Attraction and Retention Packages for Regional Childcare Workers program \(www.wa.gov.au\)](https://www.wa.gov.au/government/attraction-and-retention-packages-for-regional-childcare-workers-program)

¹⁷ Gascoyne Development Commission, (n.d.)RED Grants, Shark Bay Early Years Multi-Age Complex. https://www.gdc.wa.gov.au/Profiles/gdc/Assets/ClientData/Shark_Bay_Early_Years_Multi-Age_Complex_One_Page_Comms.pdf

Reliance on ad hoc Commonwealth Government intervention and initiatives by WA Government and local governments in response to market failure in thin markets is not a sustainable solution. The WA Government notes that recent increases to the CCS and changes to the activity test, which are welcomed, will likely increase demand for places and compound existing issues with the functioning of regional markets. Over time, increased demand may lead to expansion of existing or creation of new services in locations previously unviable due to thin markets. Without change to the fundamental structural, service and infrastructure issues and other factors contributing to the current service constraints, any new or expanded services are likely to face similar challenges.

To support the functioning of regional and remote markets, the Productivity Commission could consider:

- The role of incentives and infrastructure funding to increase the availability of affordable childcare and OSHC in underserved regional areas;
- Models to support the viability of smaller providers (see case study in Appendix 3 of Reed Inc in the Wheatbelt region);
- Levers to encourage locally responsive models and place-based approaches, such as partnerships between employers, community organisations, local government authorities, and/or the community.
- Levers to encourage the Family Day Care model to provide an effective local response for small communities.

Further options that the Productivity Commission could consider specifically to support the early childhood education workforce in regional areas are discussed below under *Regional workforce issues*.

As the ECEC sector operates as an essential service in a larger economic and social system, it is important when examining options to consider the impacts new initiatives to attract workforce or provide additional place-based services may have on other sectors and on the viability of Family Day Care providers. Solutions should be considerate of relative disadvantage, rather than a one size fits all approach.

Affordability of services

The affordability of childcare in Australia has been identified as a major factor affecting access to childcare.¹⁸ Almost one fifth of Western Australian adults who opted out of the labour force due to childcare responsibilities reported that the main reason was that childcare is too expensive.¹⁹ Even after childcare subsidies, the net cost of childcare in Australia is amongst the highest in the OECD.²⁰

The marketised ECEC system means that providers can set their own fees. Parents and carers eligible for the CCS pay the gap between the CCS and the fee charged. September quarter 2022 data shows that nationally, over one fifth of centre-based day

¹⁸ Grattan Institute (2020), Cheaper childcare: A practical plan to boost female workforce participation. <https://grattan.edu.au/wp-content/uploads/2020/08/Cheaper-Childcare-Grattan-Institute-Report.pdf>

¹⁹ Productivity Commission (2023), Report on Government Services, Part B, Section 3. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>

²⁰ OECD (2023), Net childcare costs. https://www.oecd-ilibrary.org/employment/net-childcare-costs/indicator/english_e328a9ee-en

care services charged an hourly fee above the fee cap to which the CCS can apply.²¹ The Mitchell Institute Report (2022) suggested that providers are preferentially establishing services in areas of high demand but also those with higher profit potential as based on gap fees payable by parents.²²

Accessibility of services

Mitchell Institute (2022) research found there is a greater supply of centre-based care in urban and higher socio-economic areas, with lower accessibility of supply in rural and regional areas and lower socio-economic areas generally. The research also found that areas with the highest cost services had the highest levels of accessibility.²³ As funding of ECEC services is primarily through the CCS, a demand-side subsidy tied to an activity test, changes to existing settings could result in more equitable and inclusive access to early learning for all young children.

Accessibility of services for children and families experiencing vulnerability or disadvantage

International and Australian research has shown that access to high quality, culturally appropriate early childhood education supports child developmental and educational outcomes, and that children experiencing vulnerability and disadvantage benefit most from high quality ECEC in the two years before compulsory full-time school.²⁴ The *Lifting our Game* report (2017) notes that children who start school behind their peers stay behind, and that quality early childhood education can help stop this and break the cycle of disadvantage.²⁵ The draft National Vision for ECEC is underpinned by the principle that all children are supported to succeed regardless of their circumstances.

The WA Government delivers a number of programs to improve Kindergarten readiness for targeted cohorts, and also funds Child and Parent Centres which provide a range of programs and services for local communities with higher levels of disadvantage, such as child development services, parenting programs and some early learning (not ECEC) services for parents with children up to eight years old. These centres operate at or near public schools in 22 locations throughout WA. The WA Government has also partnered with the Minderoo Foundation, four local communities across the state and the Telethon Kids Institute as the evidence partner to deliver the Early Years Partnership: one metropolitan (Armadale West), one regional (Central Great Southern), one remote (Derby), and one very remote (Bidyadanga

²¹ Department of Education (2023), Child Care Subsidy data report – September quarter 2022. <https://www.education.gov.au/early-childhood/early-childhood-data-and-reports/quarterly-reports-usage-services-fees-and-subsidies/child-care-subsidy-data-report-september-quarter-2022>

²² The Mitchell Institute (2022), Deserts and Oases: How accessible is childcare in Australia? <https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>

²³ The Mitchell Institute (2022), Deserts and Oases: How accessible is childcare in Australia? <https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>

²⁴ The Mitchell Institute (2026), Preschool – Two Years are Better Than One. <https://www.vu.edu.au/sites/default/files/two-years-are-better-than-one-mitchell-institute.pdf>

²⁵ Susan Pascoe AM and Professor Deborah Brennan (2017), *Lifting our Game: Report of the Review of Achieve Educational Excellence in Australian Schools through Early Childhood Interventions*. <https://earlychildhood.qld.gov.au/aboutUs/Documents/lifting-our-game-report.pdf>

Aboriginal Community). This 10-year partnership aims to improve child wellbeing and school readiness for children aged 0-4 years.^{26 27}

This inquiry has the opportunity to consider the effectiveness of the CSS in supporting equitable access to ECEC services. The recent change to increase the entitlement of Aboriginal and Torres Strait Islander families to a base level of 36 subsidised hours of childcare per fortnight regardless of activity levels from 1 July 2023 is welcomed. However, the activity test remains a barrier for non-working families whose children would benefit the most from access to high quality ECEC. The WA Government also notes that asylum seekers do not have access to the CCS which further disadvantages an already disadvantaged group. Navigating access to the CCS can also be a barrier for some families and the WA Government suggests this inquiry could also consider supports for families to access the CCS.

Accessibility of services for Aboriginal and Torres Strait Islander children and families

Australian governments have made commitments under the National Agreement on Closing the Gap (CTG) that Aboriginal and Torres Strait Islander children thrive and are engaged in high quality, culturally appropriate early childhood education in their early years.²⁸ The WA Government is working towards these outcomes as set out in the WA Implementation Plan.²⁹ The WA Government notes that the draft National Vision for ECEC includes an outcome for Aboriginal and Torres Strait Islander children and families which includes families feeling supported to consistently access quality, culturally inclusive ECEC and the Aboriginal community-controlled organisation (ACCO) workforce is grown.

Nationally, only 32 percent of Aboriginal and Torres Strait Islander children 0-4 years attended ECEC in the September 2020 quarter, compared to 44 percent for all other children.³⁰ The Kimberley Development Commission has reported that only one of 74 remote Aboriginal communities in the Kimberley region has a long day care centre, meaning that 697 children aged 0-4 year and 1152 children aged 5-12 years have no access to centre based care in those locations.³¹

The WA Government is working with East Kimberley Aboriginal organisations, government agencies and local shires to establish a place-based partnership in the East Kimberley focused on early years. The establishment of place-based partnerships is a commitment under the CTG Agreement to build and strengthen structures that empower Aboriginal and Torres Strait Islander People to share decision-making authority with governments to accelerate policy and place-based progress. The partnership will focus from pre-birth and maternal health through to school transition.

²⁶ Early Years Partnership. <https://earlyyearspartnership.org.au/>

²⁷ WA Government (2018), \$49.3 million investment into early childhood initiative. [https://www.wa.gov.au/government/media-statements/McGowan-Labor-Government/\\$49.3-million-investment-into-early-childhood-initiative-20180313](https://www.wa.gov.au/government/media-statements/McGowan-Labor-Government/$49.3-million-investment-into-early-childhood-initiative-20180313)

²⁸ Closing the Gap (2020). <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap>

²⁹ Government of Western Australia (2021), Closing the Gap Jurisdictional Implementation Plan: Western Australia. https://www.wa.gov.au/system/files/2021-09/Implementation%20Plan%20-%20CtG_1.pdf

³⁰ Department of Education, Skills and Engagement (2021), FACTSHEET Expand the Community Child Care Fund Restricted program. Early Childhood and Child Care.

³¹ Kimberley Development Commission (2022), Sector Profile #1: Childcare in the Kimberley. <https://www.kdc.wa.gov.au/publications/sector-profiles/childcare-in-the-kimberley/>

The cultural safety of ECEC services is important for improving access to and engagement with ECEC services for Aboriginal and Torres Strait Islander families and children. Strategies and programs that develop the workforce of Aboriginal and Torres Strait Islander educators and early childhood teachers, as well as ensuring that non-Aboriginal and Torres Strait Islander staff are trained to provide culturally competent and secure childcare services will be key to achieving this outcome.

Challenges around increasing the Aboriginal early childhood workforce in WA were identified in a recent WA State Training Board report into regional ECEC.³² This report found included the lack of experienced mentors for newly qualified educators and carers, associated difficulties accessing backfill for those wanting to attend professional development, difficulties accessing learning opportunities exacerbated by the cost of travel and required travel time, and inadequate technologies for online learning.³³ These are issues also associated with the non-Aboriginal workforce but exacerbated in more remote communities.

The WA Government is committed to building the ACCO sector and workforce. The WA Department of Communities has developed the ACCO Strategy 2022-2032 which aims to support the delivery of high quality and culturally appropriate services for Aboriginal families and children in the state, and the WA Government is developing a whole-of-government ACCO strategy.³⁴

The WA Government suggests this inquiry consider how Commonwealth Government settings may operate as a barrier to access by Aboriginal and Torres Strait Islander families and what further actions may be required to support the development of culturally appropriate ECEC services that builds confidence in and engagement with early learning.

Accessibility of services for children with additional needs

Children with disabilities or developmental needs, experiences of trauma/deprivation, from diverse cultural and linguistic backgrounds and/or engaged with child protection services may require additional supports such as specialised equipment, changes in physical environment, training for staff, and additional staff to accommodate alternative staffing ratios. While providers can apply for funding for additional supports through the Commonwealth Inclusion Support Program (ISP), this funding may not be sufficient to adequately support the needs of the child and potentially operate as a disincentive to service provision.

Greater access to quality and inclusive early childhood education programs can contribute to equipping children with disability and developmental needs with the social, cognitive and emotional skills they need to engage in learning when

³² State Training Board (2022), Regional Early Childhood Education and Care Report. <https://www.stb.wa.gov.au/sites/default/files/ECEC%20Report.pdf>

³³ Ibid.

³⁴ WA Government, Department of Communities (2022). Aboriginal Community Controlled Organisation Strategy 2022 to 2032, <https://www.wa.gov.au/government/publications/aboriginal-community-controlled-organisation-strategy-2022-2032>

commencing school. It also has the potential to assist with early identification of disability or developmental delay in young children.³⁵

The WA Government notes the ISP is being reviewed in terms of its efficiency and effectiveness and will explore options for delivering accessible, high quality and affordable ISP services. The Productivity Commission inquiry also provides an opportunity to examine the adequacy and effectiveness of the ISP program, how current policy settings may operate as a disincentive for service provision, and the interaction between the ISP program and the NDIS's re-set Early Childhood Approach to ensure provision of concurrent support to babies and young children who may have developmental delay or disability.

For children from CaLD backgrounds, especially those who are recent arrivals to Australia including humanitarian entrants, refugees and asylum seekers, and those who do not speak English as their first language, access to affordable ECEC programs can contribute to positive settlement outcomes. Children from CaLD backgrounds are less likely to be enrolled in ECEC programs and, therefore, at a higher risk of developmental delay when starting school.³⁶ CaLD children with disability may also experience additional barriers to access, including language barriers, not identifying as someone with disability (referred to in some communities as a person 'being sick'), and community or family perception of disability.³⁷

The WA Government is currently piloting a Culturally and Linguistically Diverse Early Years Link Program (CaLDEYLink) in two metropolitan primary schools with a high proportion of families to support the developmental needs of young CaLD children from birth to three years of age. This program provides 6 hours a week of high quality play-and-learn sessions for children who attend with a parent or carer. This inquiry provides an opportunity to explore options to encourage program co-design with CaLD communities and CaLD service delivery organisations to better support children and families from CaLD backgrounds.

For families experiencing family and domestic violence (FDV), the WA Government is aware that when FDV victims have needed emergency relocations which resulted in children not being present during the prescribed notice period to an ECEC service, parents had their CCS revoked including for the notice period, resulting in significant additional costs and issues in accessing CCS at a new service. There is an opportunity for this inquiry to consider policy settings for attendance waivers in extenuating circumstances.

³⁵ Australian Institute of Family Studies (2021), Evaluation of the Inclusion Support Program.

https://aifs.gov.au/sites/default/files/2022-10/2021_Inclusion%20Support%20Program%20Report.pdf

³⁶ Settlement Services International (2021), Stronger starts, brighter futures occasional paper, https://www.ssi.org.au/images/Publications/Stronger_Starts_final_screen_with_link.pdf

³⁷ Social Policy Research Centre and National Ethnic Disability Alliance (2022), Research Report – Towards best-practice access to services for culturally and linguistically diverse people with disability.

<https://disability.royalcommission.gov.au/publications/towards-best-practice-access-services-culturally-and-linguistically-diverse-people-disability>

Quality

The National Quality Framework is aimed at improving quality of early childhood education and care and services, which are rated against the National Quality Standard (NQS). The majority of ECEC services in WA meet (67 percent) or exceed the NQS (15 percent) and 18 percent of services are working towards meeting the NQS compared to national averages of 63, 25 and 11 percent respectively.³⁸ Improving the quality of services depends on a range of factors including the willingness of providers to attract and retain quality educators and invest in workforce development and supports.

In a market model, increases to the CCS risk being used to support profit generation rather than investment in initiatives to improve quality and staff attraction, retention and development. The WA Government notes the interim findings by the South Australian Royal Commission into Early Childhood Education and Care that not-for-profit (NFP) services had lower average fees and paid above award wages more commonly than for-profit services, and that standalone services (both for-profit and NFP) were more likely to have improved long-term retention of qualified staff and pay above award wages.³⁹ This inquiry provides an opportunity to consider levers to encourage re-investment of profit in services to support quality improvement.

Workforce

Early childhood educators play a significant role in supporting young children's development and are a major contributor to the quality of the ECEC system. Retaining and growing the ECEC workforce is critical to both the delivery of an essential service and supporting broader participation across the economy.

Workforce supply

Shortages of early childhood workers

Workforce shortages are a major constraint to current availability of ECEC places, especially in regional and remote areas. Measures to increase access to quality ECEC services cannot be effective without a sustainable, trained workforce to deliver these services.

Recent WA Jobs, Education and Training (WAJET) Surveys, which gather information to understand the current and expected skills and workforce development needs of industries in WA, indicate a high demand for ECEC and Family Day Care workers across WA, particularly in the regions. In 2022 and 2023, industry stakeholders contributing to the WAJET Survey indicated that the current level of demand is expected to grow by approximately 30 percent through to 2025.

³⁸ Australian Children's Education & Care Quality Authority (2023), NQF Snapshot: Q1, 2023. <https://www.acecqa.gov.au/sites/default/files/2023-05/NQF%20Snapshot%20Q1%202023%20FINAL.PDF>

³⁹ Government of South Australia (2023), Royal Commission into Early Childhood Education & Care Interim Report. <https://www.royalcommissionecec.sa.gov.au/documents/RCECEC-Interim-Report-Version-2-Website.pdf>

Workforce planning in WA is informed and guided by the annual WA State Priority Occupation List (SPOL). The ECEC sector is identified as a high priority in the 2022 SPOL,⁴⁰ with data indicating that Child Care Managers, Early Childhood Teachers and Child Carers are all experiencing an ongoing and rising need, as indicated by the graphs below.⁴¹

Figure 1: Number of job advertisements in WA by year: Priority 1: Child Care Centre Manager

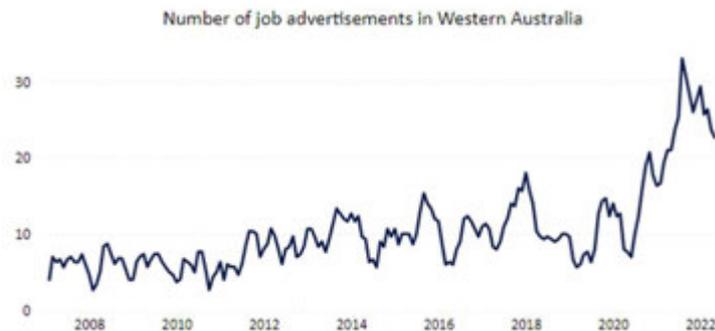


Figure 2: Number of job advertisement in WA by year: Priority 1: Early Childhood Teachers

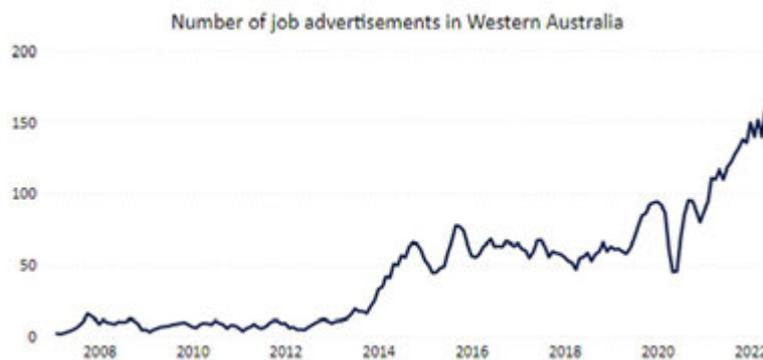
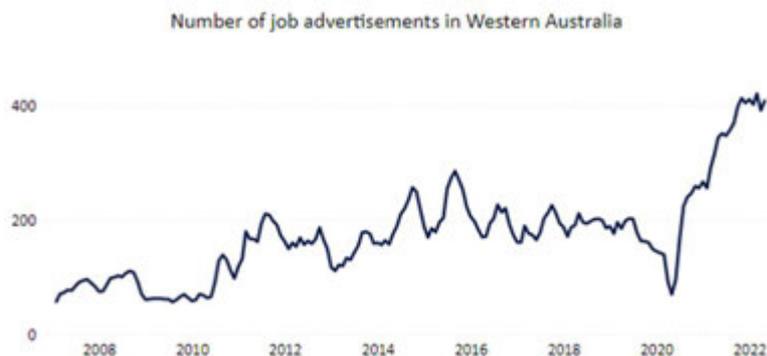


Figure 3: Number of job advertisement in WA by year: Priority 2: Child Carers



⁴⁰ Department of Training and Workforce Development (2022), State Priority Occupation List 2022: Methodology & Results Paper. <https://www.dtwd.wa.gov.au/sites/default/files/uploads/dtwd-spol22-methodology-paper.pdf>

⁴¹ Department of Training and Workforce Development (n.d.), State Priority Occupation List 2022. <https://app.powerbi.com/view?r=eyJrjoiNGYzNGQyZWQyY2F1OC00NjY1LTllOWYtMWEyYjdkOGU3NmRlIiwidCI6IjlxODg4MmU4LTA3YWQ0NDU0N2Q3LWYyYjkwZDE3MDA5YjJ9>

A similar trend is noted in Jobs and Skills Australia's February 2023 Labour Market Update which reported that both Child Carers and Early Childhood (Pre-primary School) Teachers were in the top 20 most demanded occupations nationally and in WA.⁴² However, their analysis also suggested that these shortages had different drivers requiring different policy responses:

- The shortage of child carers is the result of above-average job mobility (or below-average rates of retention), combined with a low number of new applicants per job vacancy.
- The shortage of early childhood teachers is driven by the low number of qualified applicants available to fill positions, made worse by the lengthy education requirements of the role.

Growing demand for ECEC is hampered by difficulties in attracting staff and an exodus of workers from the ECEC sector to other industries offering higher pay and better conditions.

The difficulties in retaining and attracting staff with the appropriate qualifications have led many services to seek waivers from the WA regulatory authority to operate with a staffing profile below the normally required standards. Despite regional services accounting for 20 percent of total services available in WA, they accounted for almost 30 percent of all staffing waiver applications in 2022, demonstrating the additional challenges faced by regional services in attracting and retaining suitably qualified staff.

Recent reports and inquiries have identified wages and conditions as issues impacting upon the attraction and retention of staff in the ECEC sector.⁴³ The sector is comparatively poorly paid compared to many, in line with other caring professions. The National Education and Care Workforce Strategy has considered these issues and will play a key role in progressing various national initiatives including investigating pay and conditions and a review of qualifications.⁴⁴

The WA Government has introduced a range of training initiatives to help address the demand for ECEC workers. This includes the ECEC Job Ready program, and subsidised access to Certificate III and Diploma in ECEC qualifications.

The need for data to inform workforce planning

The Commonwealth Department of Education releases some limited CCS data each quarter, however this is an insufficient level of detail for the WA Government to optimise planning and analysis for ECEC workforce and training needs at a State level. Currently only aggregate figures on total child care subsidies paid for each state and territory are provided, rather than sufficiently detailed information on subsidies for

⁴² Jobs and Skills Australia (2023), Labour Market Update – February 2023.

<https://www.jobsandskills.gov.au/download/717/labour-market-update/1131/labour-market-update-feb-2023/pdf>

⁴³ State Training Board (2022), Regional Early Childhood Education and Care Report.

<https://www.stb.wa.gov.au/sites/default/files/ECEC%20Report.pdf>; Senate Select Committee on Care and Work (2023), Final Report. https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Work_and_Care/workandcare/Report

⁴⁴ Education Services Australia (2021), Shaping our Future: National Children's Education and Care Workforce Strategy.

[https://www.acecqa.gov.au/sites/default/files/2021-](https://www.acecqa.gov.au/sites/default/files/2021-10/ShapingOurFutureChildrensEducationandCareNationalWorkforceStrategy-September2021.pdf)

[10/ShapingOurFutureChildrensEducationandCareNationalWorkforceStrategy-September2021.pdf](https://www.acecqa.gov.au/sites/default/files/2021-10/ShapingOurFutureChildrensEducationandCareNationalWorkforceStrategy-September2021.pdf)

areas within jurisdictions and other useful data splits (such as by type of facility, age ranges of children, type of child / family unit).

The WA Government notes that the Commonwealth Department of Social Services releases highly aggregated data on recipients every quarter. While this quarterly data provides some information around numbers of persons in receipt of some measures, it excludes any specific data in relation to persons accessing the CCS, and there is no ability for cross tabulation and basic analytical functions to be conducted based on the data available.

Providing states and territories with access to more detailed Commonwealth data would improve state ECEC planning and analysis capacity. This inquiry could consider the potential for states and territories to access a secure and confidential close-to-real-time feed of detailed Commonwealth data to improve jurisdictions' ability to anticipate and meet needs and enable flow-on economic benefits for other industries.

Regional workforce issues

While issues such as staffing shortages, access to suitable facilities, lack of housing availability, attracting and retaining suitably qualified staff are exacerbated in regional areas.

The WA Government submission to the Parliamentary Joint Select Committee on Northern Australia's Inquiry into Northern Australia Workforce Development highlighted the pressure on demand for ECEC workers in the north of WA (Joint Select Committee).⁴⁵ The high cost of living in regional areas and competition with wages offered by the resources sector are issues specific to some of these communities that are not found to the same degree in the metropolitan area. Anecdotal feedback provided suggested that it is not uncommon for ECEC centres to have a 12 to 24 month waiting list.⁴⁶

Kimberley Development Commission research released in December 2022 showed ECEC services are operating at only 69 percent of licenced capacity due to workforce shortages (the region is short of 59 FTE workers) and service availability was less than a third of the number of child care places in the Perth metropolitan area, on a per capita basis.⁴⁷

Workforce shortages in regional areas are mainly driven by:

- Poor wages and conditions, and the ECEC sector not seen as an attractive career or profession, especially in a competitive job market.

The entry level salary for an ECEC educator is \$42,000 (also the current minimum wage) and room leaders are paid between \$50,000-\$70,000. Centre Manager

⁴⁵ Western Australian Government (2023), Submission to the Commonwealth Joint Select Committee Inquiry into Workforce Development in Western Australia (Submission Number 67).

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Northern_Australia/WorkforceDevelopment/Submissions

⁴⁶ Ibid.

⁴⁷ Kimberley Development Commission (2022), Sector Profile #1: Childcare in the Kimberley.

<https://www.kdc.wa.gov.au/publications/sector-profiles/childcare-in-the-kimberley/>. The Goldfields-Esperance Regional Development Commission has also advised waiting lists of 12-24 months.

salaries are around \$80,000. In the Kimberley, it has been reported that a barista with training over three weekends can earn this amount.⁴⁸

- Lack of affordable, suitable, quality housing for staff;
- Higher cost of living in regional areas; and
- Lack of educators with the required qualifications, high attrition and low completion rates in training and workforce development programs, and inability to undertake work placement opportunities to complete training due to geographical constraints.

The WA Government has a Regional ECEC Workforce Action plan which identifies actions taken in response to a State Training Board Report into regional ECEC. The majority of report recommendations have been addressed by government actions and include:

- Development of the ECEC 'Job Ready' pre-employment program, including a focus on Aboriginal participation;
- Provision of low fee or fee-free training;
- Provision of ECEC 'Career Taster' experiences as part of the Career Taster Program;
- Inclusion of Certificate III in ECEC as part of the VETDSS funded list;
- Stronger connection of existing programs that support entry into the sector from school and through recognition of prior learning of existing workers and migrants;
- Subsidised RPL for Registered Training Organisations contracted by the WA Department of Training and Workforce Development and
- Implementation of financial support programs for regional Local Government areas to support the accommodation /relocation costs of ECEC workforce and costs of training.

Other WA Government activities include:

- Career and training advice and information available to all (through Jobs and Skills Centres), and tailored experiences for school students (in the Career Taster Program);
- Low training fees through '*Lower fees local skills*' and '*FREE in '23*' (a joint Commonwealth and WA Government initiative);
- Prioritising places under the government funding of free VET delivered to secondary schools places;
- The ECEC 'Job Ready' pre-employment program to create a pipeline of new workers; and

⁴⁸ Or a lot more, in Broome: news.com.au (2022), Broome café The Good Cartel offering \$92k salary package for baristas. <https://www.news.com.au/finance/work/careers/broome-cafe-the-good-cartel-offering-92k-salary-package-for-baristas/news-story/26c976eb508f61ffcbeb0cf5707486b7>

- Support for regional areas through grant funding to local governments to attract and retain childcare workers, and bursaries for international students to study in priority courses, including ECEC, in regional WA.

The WA Department of Training and Workforce Development has also made a commitment to explore the possibility of expanding the existing Skills Recognition Apprenticeship Program (SRAP) in the next 12 months, to include selected qualifications in ECEC. The SRAP provides an accelerated pathway to qualification completion for those individuals who have existing skills, experience, and knowledge from working in the industry or prior learning and was introduced to initially support WA's construction workforce.

The WA Government notes the Commonwealth Government's commitment in the 2023-24 Budget to provide \$72.4 million over five years to support training and development for ECEC workforce. However, this inquiry also provides an opportunity to consider the use of targeted incentives such as wage, housing and training accreditation subsidies and tax benefits for ECEC workers to alleviate the high cost of living in regional areas. The WA Government would also support migration solutions and initiatives for local residents to qualify and work as ECEC educators.

The WA Government notes that efforts to boost the supply of labour in regional areas will be ineffective if fundamental structural, service and infrastructure issues such as access to affordable housing and digital connectivity are not addressed in parallel, and that many of these challenges are issues for existing regional workers and their families. Accordingly, this inquiry provides an opportunity to consider options for supporting cross-agency approaches for each region to address specific issues.

ECEC as an enabler of broader workforce participation and economic growth

ECEC operates as an essential service in a larger economic and social system. It supports broader participation across the economy and, in particular, development and diversification across regional WA.

The inability to attract or retain families in the regions or support both parents participating in the workforce due to lack of ECEC services is impacting all sectors, including major industry, government services, not-for-profit and small business. For example, the lack of available and flexible ECEC is a significant issue for the predominantly female health care workforce generally and particularly in regional and remote areas. The health sector depends on shift work (including morning, evenings, overnight and weekend), overtime and a casual workforce, and childcare is an important enabler for parents/carers engaging in paid work. Parents and carers who work non-standard or variable hours can have difficulty finding childcare to support their working arrangements.

The economic impact of the lack of ECEC services is magnified in the mining regions of WA. Some employers in the north of WA have advised job vacancies could not be filled due to successful applicants being unable to secure ECEC or OSHC services for

their children and subsequently declining offers of employment.⁴⁹ In the Pilbara region, the WA Government is aware that BHP and the Shire of Port Hedland provide support for an ECEC centre in Port Hedland, and Chevron supports a service in Onslow in response to demand for services in these regions.

Availability of ECEC services affects the workforce participation of women. Australian women continue to shoulder a disproportionately greater share of unpaid household responsibilities - especially caring for dependent children - compared to men. Consequently, following childbirth, women tend to either limit or sever their connection with the workplace. This disruption to work life hinders career progression and affects economic security with lower lifetime earnings and superannuation compared to men. The ABS Labour Force survey suggests that 25 percent of women (~ 60,000 women) who wanted a job or to work more hours were unable to do so given challenges with looking after children. In contrast, only 0.2 per cent of men reported caring for children as the main barrier to participation.⁵⁰

Child caring responsibilities are viewed as a significant contributor to workforce gender segregation – the tendency for men and women to work in different occupations/industries. Women who are responsible for caring for dependent children are more likely to seek employment in female-dominated and gender-neutral occupations, such as health and welfare support workers and clerical workers. These roles tend to offer more workplace flexibility including the ease of managing work around family commitments compared to male dominated ones. In contrast, male dominated occupations, such as construction trade workers and plant operators, tend to offer less workplace flexibility. This process of gender sorting in the workforce contributes to the gender wage gap, as male dominated occupations are often higher paying.⁵¹

The consequences of workforce gender segregation permeate beyond the gender pay gap and impose broader costs to the economy. It is a source of rigidities in the labour force which limits the economy's ability to adjust and, in the process, inhibits productivity and long-term growth. Moreover, occupational gender segregation hinders the ability of an economy to realise the full potential of female workforce participation.

The availability of culturally secure ECEC, in both metropolitan and regional areas, is also necessary to support workforce participation of Aboriginal parents and caregivers. Several commitments made by Australian governments, including under the CTG Agreement, emphasise the importance of increasing the economic participation of Aboriginal and Torres Strait Islanders. The WA Department of Health has a strategic priority, highlighted in the WA Aboriginal Health and Wellbeing Framework 2015-2030, to build a strong, skilled, and growing Aboriginal health workforce and in the attraction and retention of the Aboriginal workforce. The availability and provision of equitable,

⁴⁹ Western Australian Government (2023), Submission to the Commonwealth Joint Select Committee Inquiry into Workforce Development in Western Australia (Submission Number 67).

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Northern_Australia/WorkforceDevelopment/Submissions

⁵⁰ Australian Bureau of Statistics (2022), Media Release: Childcare still largest barrier to female participation.

<https://www.abs.gov.au/media-centre/media-releases/childcare-still-largest-barrier-female-participation>

⁵¹ KPMG with the Diversity Council Australia and Workplace Gender Equality Agency (2022), She's Price(d)less: The economics of the gender pay gap. <https://www.dca.org.au/research/project/shes-pricedless-2022-update-report>

affordable access to culturally competent and secure ECEC will be fundamental in supporting and sustaining this growth.

Efficiency and effectiveness of investment in the sector

Australian and international research has shown that investment in quality ECEC has benefits for children in terms of improved school readiness, improved educational and developmental outcomes, increased lifetime earnings and better health outcomes. It also reduces costs for government and society in the long term through increased workforce participation and productivity gains through reduced government expenditure on health, social services and justice systems and additional educational supports. The Commonwealth Government is a primary beneficiary of state and territory investment in early childhood education through increased tax revenue of primary carers returning to work and avoided future service system costs.

The WA Government notes the findings of the Productivity Commission's 2014 Inquiry into Childcare and Early Childhood Learning that the mixed settings for YBFS service delivery in Australia means that states and territories that predominantly use the ECEC sector to deliver YBFS education attract a greater share of Commonwealth CCS funding.⁵² In WA, YBFS is delivered primarily by the school sector which does not attract CCS funding. The WA Government would welcome the Productivity Commission considering options for more equitable distribution of Commonwealth funding across jurisdictions but which also allow for state and territory government flexibility in determining the model/s of preschool delivery that best suit their context and legacy.

CONCLUSION

The WA preschool system provides equitable, accessible, affordable and quality early childhood education for children in the school sector. The draft National Vision for ECEC contemplates universally accessible ECEC and parents having access to affordable high quality ECEC to support their workforce participation. Even if current settings are changed to support better functioning of the national market, there are other factors to be addressed in parallel, including ECEC workforce supply, housing supply and affordability, infrastructure costs, and higher costs of living in regional and remote areas of WA, that affect service provision. More active Commonwealth stewardship in the market in collaboration with state, territory and local governments to address under-provision and support the growth and sustainability of the ECEC sector will have long-term benefits for children, families, communities and the economy.

⁵² Productivity Commission (2015), Childcare and Early Childhood Learning Inquiry Report. <https://www.pc.gov.au/inquiries/completed/childcare/report>

The WA ECEC sector

Overview

In WA, a range of universal services, targeted programs and ECEC services support children from birth to four years of age.

ECEC services

In 2022, 83,393 children aged 0-5 attended a CCS approved child care service in Western Australia, comprising 40.5 percent of all children in this age group. Attendance rates were highest among the 2-year-old and 3-year-old age groups (55.2 percent and 56.7 percent respectively).⁵³

As of May 2023, there are 1353 approved services operating under the National Quality Framework across WA. Of these:

- 1317 are centre based services, including outside of school hours care services⁵⁴
- 36 are for family day care.

There are 14 licensed state/local government regulated services operating in WA. These predominantly operate either creche style services, mobile day care or occasional day care. Local government infrastructure and local libraries also play an important role in facilitating early years engagement in regional areas.

The majority of all ECEC services are located in the Perth metropolitan area (1066 services or 78 per cent).

There are 523 approved providers operating in WA. Of these, there are 46 inter-state approved providers that deliver services in WA and in other jurisdictions.

In WA, there is a much higher portion of medium sized providers, with lower percentages of both small and large services compared to the national average where approximately a third of the services are in each size category.

Table 1: Service distribution by size and location

Size	Metro	Regional	Total (%)
Small (1 service)	271	90	361 (26.5 %)
Med (2-24 services)	539	150	689 (51 %)
Large (> 25 services)	256	47	303 (22.5 %)
	1066 (80 %)	287 (20 %)	1353

⁵³ Productivity Commission (2023), Report on Government Services, Part B, Section 3. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>

⁵⁴ Australian Children's Education & Care Quality Authority (2023), NQF Snapshot: Q1, 2023. <https://www.acecqa.gov.au/sites/default/files/2023-05/NQF%20Snapshot%20Q1%202023%20FINAL.PDF>

Table 2 provides an overview of the distribution of services operated by different types of entities. In regional WA, not for profit entities (including community and other) make up 36 percent of all services. This compares to 16.9 per cent of equivalent services in the metropolitan area.

Table 2: Distribution of services by provider type and location

Mgt Type	WA regional	WA metro	WA total (percentage)	National percentage⁵⁵
Private For profit	165	840	1005 (74.2 %)	52 %
Private not for profit community	60	71	131 (9.6 %)	20 %
Private not for profit other	46	110	156 (11.5 %)	13 %
State/LGA managed	15	14	29 (2.2 %)	7 %
Independent school	1	14	15 (1.2 %)	3 %
Catholic		17	17 (1.3 %)	1 %
TOTALS	287 (20 % of all services)	1066 (80 % of all services)	1353	

For profit providers comprise 74.2 percent of the market in WA compared to 52 per cent nationally and not-for-profit providers comprise 21.2 per cent of services compared to 33 per cent nationally.

The majority of education and care services in Western Australia are covered by the *Education and Care Services National Law (WA) Act 2022 (WA)*. A small number of services in WA, including occasional care services and mobile services are covered by the *Child Care Services Act 2007 (WA)*.

The Department of Communities is the regulatory authority for WA under the National Quality Framework (NQF).

Preschool services in schools

WA provides for universal access to preschool for children who turn four in the year before compulsory, full time school.

Children are entitled to 15 hours a week or 600 hours a year of quality preschool programs by a degree qualified early childhood teacher for all children.

Kindergarten is provided by public school, non-government schools and community Kindergartens, which are incorporated community-based services registered under the *School Education Act 1999 (WA)*.

In 2022, 33,235 children in the YBFS cohort were enrolled in Kindergarten in a Western Australian school, community kindergarten, and/or centre based day care

⁵⁵ Ibid.

setting.⁵⁶ Of these children, only 900 were enrolled exclusively in a Western Australian ECEC program in the YBFS.⁵⁷ As Kindergarten is not offered full-time in Western Australia, some children (8,984 in 2022) participated in both Kindergarten and an ECEC program during their non-kindergarten days or hours.⁵⁸

The WA Government is the primary funder to preschool services in schools and community Kindergartens and receives funding support from the Commonwealth Government under the Preschool Reform Agreement.

In WA, Kindergarten provision in the school sector is provided for in the *School Education Act 1999 (WA)* and regulations. The *Education and Care Services National Law (WA) Act 2012 (WA)* does not apply to Kindergarten provision through schools. The National Quality Standard (NQS), which is one element of the NQF, applies across the early years of schooling to Year 2, with educator-to-child ratios (Quality Area 4) applicable only to Kindergarten.

Due to the school-based context of Kindergarten provision, legislation and quality assurance, the NQS is applied differently in public and non-government school sectors than in the ECEC sector.

- Each year, school principals are required to determine whether their school is 'meeting' or 'working towards' each quality area. Schools are required to submit their determinations annually. This information is incorporated into whole-school planning processes and cyclic external school review or school registration procedures.
- To be considered as 'meeting' a quality area, it is necessary to meet every element that makes up each standard. This is consistent with the application of the NQS across Australia and is more stringent than an 'on balance' judgement. It follows that 'working towards' means that one or more elements have not yet been met in one or more classrooms - and those elements are potential priorities for improvement. Determinations also take into consideration the typical day-to-day practices in the school.
- Unlike the ECEC sector, Western Australia's schools do not undergo mandatory assessment and rating against the NQS by the Department of Communities. Public schools can, however, opt for NQS verification by the Department of Education, which involves a consultant from the Department of Education and a school-based verification partner attending the school and preparing a report on whether the school has met or is working towards each standard, with comments to support strengths and suggestions for improvement. School leaders and educators are also supported in the implementation of the NQS through guidance materials and professional learning.
- The approach builds on whole school quality assurance procedures in Western Australian schools while also ensuring that the content and intent of the NQS is applied consistently.

⁵⁶ Australian Bureau of Statistics (2023), Preschool Education Australia, 2022, Table 28. <https://www.abs.gov.au/statistics/people/education/preschool-education/latest-release>

⁵⁷ Ibid.

⁵⁸ Ibid.

The School Curriculum and Standards Authority is responsible for Kindergarten to Year 12 curriculum, assessment, standards and reporting for all WA schools under the School Curriculum and Standards Authority Act 1997 (WA). The Kindergarten Curriculum Guidelines draw on the principles, practice and outcomes of the Early Years learning Framework under the NQF. These guidelines guide educators to develop a quality teaching and learning Kindergarten curriculum for WA children.

WA also provides a range of targeted early learning and development initiatives in communities where children are most likely to be developmentally vulnerable. These initiatives involve the participation of parents and/or carers in their delivery. These initiatives are listed in Appendix 2.

Integration of ECEC services with school sector

There has been increasing 'integration' of school and ECEC services in WA. Although still predominantly delivered by the ECEC sector, some non-government schools and a small number of approved public schools provide early childhood education programs for three-year-old children (2 years before full-time school).

In addition, there are 14 ECEC long day care centres co-located on public school sites, and OSHC ECEC services operate on an estimated 250 out of 822 public school sites. In 2016, the State Government made an election commitment to support the co-location of ECEC services on existing and future planned school sites.⁵⁹

⁵⁹ Western Australia Labor (2016), EduCare: Making Life Easier For Families.
[https://australianpolitics.com/downloads/wa/2017_election-policies/alp/EduCare - Making Life Easier for Families.pdf](https://australianpolitics.com/downloads/wa/2017_election-policies/alp/EduCare_-_Making_Life_Easier_for_Families.pdf).

WA Government Policies and Programs

Preschool	
Kindergarten	The year before compulsory full-time school. All children can access 15 hours per week or 600 hours per year of universal, high quality early childhood education, no matter where they live in the state. Children must be 4 years old by 30 June the year they start Kindergarten to be eligible for enrolment.
National Quality Standards in schools	The National Quality Standard applies across the early years of schooling to Year 2, with educator-to-child ratios (Quality Area 4) applicable only to non-compulsory Kindergarten).
ECEC on school grounds	There are 14 ECEC long day care centres co-located on public school sites, and OSHC services operate on an estimated 250 public school sites.
Learning and development	
KindiLink	<p>KindiLink is a play-and-learn initiative for Aboriginal children not old enough to enrol in Kindergarten. In 2022, 59 programs operated throughout Western Australia. The program is provided in communities experiencing social and economic challenges where there is a high proportion and/or number of Aboriginal children. The children attend with a parent/s or carer. Where there is capacity and, after consultation with the local community non-Aboriginal children and parent/s or carer can also attend.</p> <p>KindiLink provides 6 hours of high-quality play-and learn- sessions at no cost for families. The evidence-based Abecedarian Approach Australia (3a) is used as the learning program along with the Early Years Learning Framework and guided by the NQS.</p> <p>38 programs are funded by the Preschool Reform Agreement and 21 are funded through the Kimberley Schools Project.</p>
Child and Parent Centres	<p>22 Child and Parent Centres (CPCs) operate at or near public schools in WA. CPCs offer a range of early learning (not ECEC), child health, parenting support, health promotion and wellbeing programs and services to a significant number of local families in communities with higher levels of disadvantage.</p> <p>Thirteen non-government organisations are contracted to operate CPCs.</p> <p>In four of the CPC locations, there is also a co-located ECEC service which is run separately from the CPC. Parents and carers are required to attend CPC programs and services with their child/children.</p>

	<p>Many CPCs promote their programs and services to families attending local ECEC centres. For example, programs like Triple P have been offered online or after hours to cater for working families.</p>
CaLDEYLink	<p>The Culturally and Linguistically Diverse Early Years Link Program is a pilot program operating in two metropolitan primary schools with a high proportion of CaLD families with young children from birth to three years of age. The program is based on the KindiLink program and provides 6 hours a week of high quality play-and-learn sessions at no cost to families.</p>
Enhanced Transition to School	<p>This program establishes playgroups on or near public, Catholic and independent schools for local children and families to participate in. The program is implemented by Playgroup WA with support from the public and non-government school systems. The objective is to facilitate preparation for Kindergarten and improve Kindergarten enrolment and attendance particularly among Aboriginal and Torres Strait Islander children living in communities where there are high levels of disadvantage.</p>
Kimberley Schools Project	<p>The Kimberley Schools Project aims to strengthen education of children in the Kimberley by building on existing strategies to accelerate all children's learning with a focus on Aboriginal children. The Project comprises four integrated areas:</p> <ul style="list-style-type: none"> • Targeted teaching: evidence-based literacy teaching strategies and quality materials with frequent measurement of progress to inform planning and delivery. • Better early years learning and care: community co-design initiatives that build on and improve existing services, and engage families as first teachers. • Regular attendance: community partnerships to deliver strategies that aim to resolve issues of non-attendance in particular communities. • Increased student and community engagement: co-designed community initiatives that build positive relationships between the school and the community. <p>The Kimberley Schools Project is a collaboration between the Department of Education, Catholic Education Western Australia, the Associations of Independent Schools Western Australia and the Department of Primary Industries and Regional Development.</p>
Partnerships	<p><u>Early Years Partnership</u></p> <p>The WA Government has partnered with the Minderoo Foundation, along with Telethon Kids Institute as the evidence partner, to deliver the Early Years Partnership in four communities across the state: one metropolitan, one regional, one remote and one very remote (Bidyadanga remote Aboriginal community).</p>

	<p>This 10-year partnership aims to improve child wellbeing and school readiness for children aged 0-4 years.¹⁰</p> <p><u>East Kimberley Place-Based Partnership under Closing the Gap</u></p> <p>The WA Government is also working to establish a place-based partnership in the East Kimberley, bringing all levels of government together in partnership with local Aboriginal community organisations. The East Kimberley place-based partnership will focus on outcomes in the 'Early Years' as the first priority of East Kimberley Aboriginal organisations.⁶⁰</p> <p><u>Telethon Institute Play Active Program</u>⁶¹</p> <p>This program and policy enable early child education and care services to meet the Australian National Quality Standards – Quality Area 2.1.3: Healthy eating and physical activity are promoted and appropriate for each child. Physical activity in the early years is critical for the development of children and provides numerous benefits including enhanced cognitive, emotional and psychosocial development, improved bone health, improved cardiovascular fitness, development of fine and gross motor skills. Play Active is a multiagency partnership initiative including research organisations, universities, not-for-profit organisations, the early child education and care sector and State Government agencies and is expanding to additional states in Australia. The WA Government is a partner in this joint initiative.</p>
<p>Financial support</p>	<p><u>Nature Play WA</u>⁶²</p> <p>Nature Play WA receives financial support from the WA Government to work with families, schools and communities to elevate awareness of the value nature play brings to children's development and to ensure every child has access to the time, space and permission they need for play to support their health and happiness.</p> <p>Nature Play WA is dedicated to supporting the mental and physical health of Western Australian children through growing their connection to nature and community through outdoor play. They work collaboratively with partners in recreation, education, health, environment, community and the business sector to encourage the WA community to value nature play and for it to be prioritised in children's lives. Unstructured, active, outdoor play is an essential building block of physical, social and emotions health and the primary way children develop the skills, confidences and</p>

⁶⁰ Early Years Partnership, Central Great Southern. <https://earlyyearspartnership.org.au/central-great-southern/>

⁶¹ Telethon Kids Institute, Play Active Program. <https://www.telethonkids.org.au/projects/play-active-program/>

⁶² Nature Play WA. <https://www.natureplaywa.org.au/>

	competencies that support being active and connected for life. Nature Play WA has developed resources to support the early child education and care sector.
Workforce	
Jobs and Skills Centres	One-stop shops for careers, training and employment advice and assistance. Services are free, and accessible to all members of the community, including employers, with 18 locations throughout Perth and regional WA, and additional outreach services for regional areas. Jobs and Skills Centres also provide specialised services for Aboriginal and Torres Strait Islander people.
Career taster program	A state-wide program involving public, independent and Catholic schools, which offers Year 9 school students' opportunities to engage with the world of work, learn about different industries and career pathways and the skills required for them.
Lower fees local skills	Access to ECEC qualifications has been subsidised since 2021 in WA. The Certificate III and Diploma in ECEC qualifications have been subsidised at the Lower Fees Local Skills (LFLS) fee rate since 2021, which offers a course fee cap of \$400 for eligible concession students and \$1,200 for non-concession students. The courses are fee-free in 2023 as part of a National Partnership with the Commonwealth.
VET delivered to secondary schools (VETDSS)	VET delivered to secondary schools (VETDSS). The Certificate III in ECEC is included as a WA government funded course for delivery to secondary school students as part of the VET delivered to Secondary School Students Funded List. VETDSS funded courses are free.
ECEC Job Ready program	The WA government established the ECEC Job Ready pilot program in October 2022. This short course pre-employment program contained a skill set from the Certificate III in ECEC and a work placement. The ECEC Job Ready program is free to all eligible students in 2023 and prior to this it was free for jobseekers, people aged 15-24 and concession card holders. The entry-level program also included wrap-around supports to reduce barriers for participants and guide them to completion of their training.
Low-fee existing-worker traineeships	The WA government subsidises Existing Worker Traineeships in four priority areas, one of which is ECEC. These traineeships offer access to Certificate III or Diploma-level studies in ECEC for a capped price of \$400 for trainees under 25, and \$1,200 for all others. This represents a 72% reduction in course fee costs to employers to upskill existing workers.
Regional ECEC Workforce Action Plan	The Regional ECEC Workforce Action Plan ⁶³ identifies actions in response to the following themes: <ul style="list-style-type: none"> • Tightening regional labour markets • Importance of local workforce initiatives and Aboriginal workforce development needs

⁶³ Department of Training and Workforce Development (2023), Workforce Action Plan: Regional Early Childhood Education and Care. https://www.stb.wa.gov.au/sites/default/files/CSWA_Regional%20ECEC_WorkforceActionPlan.pdf

	<ul style="list-style-type: none"> • Targeted promotion of early childhood education career pathways • Untapped labour markets • Barriers of the training and regulatory environment. • Housing affordability • Overseas workforce
Skilled Migrant Job Connect program	This program aims to remove barriers and connect skilled migrants to employment commensurate with their qualifications, skills and experience. It includes a Skilled Migrant Employment Register which links both offshore and onshore skilled migrants to employers who have relevant skills needs.
Planning	
Draft Child Care Premises Position Statement	<p>The Western Australian Planning Commission’s draft Child care premises Position Statement (November 2022) outlines location and design guidance to decision-makers, proponents and the community.⁶⁴</p> <p>The draft policy addresses State, local government and community considerations relating to the location and development of child care premises. A consistent planning approach is required, particularly regarding location, site characteristics, environmental suitability, design, traffic and vehicle access, noise emissions, amenity health and safety impacts.</p> <p>The policy objectives are to:</p> <ul style="list-style-type: none"> • Encourage the co-location of child care premises on scheme reserves (intended for community and educational uses) and mixed commercial type zones. • Locate child care premises where they are compatible with and complementary to residential land use and the road network. • Ensure child care premises do not have a detrimental impact on the amenity of the adjoining residents and the locality. • Minimise any detrimental impact that surrounding land uses may have on a child care premises. • Ensure child care premises are appropriately designed to ensure the health and safety of children attending the early childhood education and care service. <p>The draft has been out for public comment and is anticipated to be finalised by the end of 2023.</p>

⁶⁴ Western Australian Planning Commission (2022), Draft Position Statement: Child care premises. https://consultation.dplh.wa.gov.au/land-use-planning/a-draft-position-statement-child-care-premises/supporting_documents/Draft%20PS%20%20Child%20care%20premises.pdf

REED Inc. CASE STUDY

Background

REED Inc was established in 2018 in response to the urgent need for a service delivery model to address the sustainability of Early Childhood Education and Care (ECEC) services in the Wheatbelt region of West Australia. The operation of ECEC services in this region had been supported by the Commonwealth Government's sustainability grants, State Government Royalties for Regions one-off strategic and operational grants and local government grants or in-kind support. Notwithstanding this financial support, many services did not have the income to cover staff salaries and volunteer management committees did not always have the expertise to identify and resolve problems creating turnover of services and sustainability constraints. Further, the capacity to deliver the national quality reform agenda was proving challenging for both staff and management committees of small Wheatbelt centres.

The REED Wheatbelt ECEC Sustainability Project was funded by the WA State Government and Lotterywest with a view to ensuring that ECEC services:

- continued to be provided across the Wheatbelt Region for the benefit of children and their families, communities and the economy.
- were sustainable and would deliver high quality programs which contribute to children's development in their critical early years.

Support for this project also recognised that ECEC services enable parents to work in positions which are important for the economic and social wellbeing of rural and regional towns. It has become more important in recent times to increase local workforce participation in a tight labour market with little available rental accommodation.

Current Situation

The main strength of REED Inc is as an umbrella governance structure that includes a skills-based board to provide economies of scale in compliance, corporate services and staff oversight and development for small member centres spread across the Wheatbelt Region.

REED has a commitment to providing employment opportunities, career pathways and professional development for regional residents. REED is implementing a strategy for employment of Aboriginal people in its services and is working in partnership with Aboriginal organisations to increase participation of Aboriginal children in ECEC services.

REED is now the Approved Provider of 23 ECEC services meeting the needs of rural and regional families in 24 towns and catchment communities offering long day care centres, family day care and OSHC. The service has expanded beyond the Wheatbelt to one service in the South West and three in the Mid West. A further three services (1 each in the Wheatbelt, Mid West and Peel) are in the process of merging into REED. In addition to this REED Inc has also become the first point of reference for many regional Shires when faced with childcare issues.

REED has succeeded because of the vision and enormous commitment to volunteer hours by a small group who were supported by establishment funds from State Government and Lotterywest.

Sustainability improves as more services come on board and increased efficiency and effectiveness (economies of scale) is achieved. Quality standards are met and improved through a cluster model of services, where Cluster Managers provide oversight and support to individual centres within sub-regions.

Opportunities

While the REED governance model has been extremely successful in the Wheatbelt region, several issues that continue to stifle development of the Child Care sector have been identified.

- Training – despite REED engaging with training providers, consistent training structured to be attractive and flexible to local need is an ongoing issue.
- Accessing adequate housing for staff across the region is difficult and is increasing the cost of service delivery without commensurate increased Government funding.
- REED has to apply for Federal funding individually for each location. It is not possible to lodge one application on behalf of the network.
- Funding often doesn't take additional costs of operating in regional areas into account. Attraction and retention strategies are difficult to resource within current funding model.
- While REED pays above the award wage in many instances, most ECEC positions do not attract a salary of \$70,000. The Commonwealth Government recently announced that from July 2023 the wage floor for temporary skilled migrants will increase from \$53,900 to \$70,000. This removes the opportunity to utilise these migrants in the current tight labour market.

In summary, REED is an example of a potential model to create economies of scale in compliance and corporate services to support the operation of small ECEC centres in regional locations. There is an identified funding gap to support expansion, business development and the opportunity to trial different models across a broader geographic area.