



RDA FAR NORTH

Childcare Services Development Report

2024



This report was commissioned by RDA Far North and prepared by

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Play Your Part



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1. INTRODUCTION

1.1 EXECUTIVE SUMMARY

This document has been produced on behalf of RDA Far North South Australia (RDA Far North). It outlines the current and future challenges relating to the delivery of childcare services in the RDA Far North Region. Put simply the region does not currently have an adequate supply of childcare services to meet the demands of families who live and work in the Far North. Without significant intervention, this challenge will continue to have a negative impact on the social and economic fabric of the region both now and into the future. The Far North region of South Australia includes five Local Government organisations, which are:

- District Council of Coober Pedy
- The Flinders Ranges Council
- Corporation of the City of Port Augusta
- Municipal Council of Roxby Downs
- Outback Communities Authority

The information provided is based on research and consultation undertaken throughout October and November 2023. The consultation activities including online surveying, visits to childcare facilities throughout the region, open consultation workshops and interviews with a range of people including parents, childcare personnel and local Council representatives. Desktop research has also been undertaken with a particular focus on information available in a number of recently released government reports relating to childcare delivery.

The document provides an overview of the key findings that have emerged from the consultation and some recommended actions to be considered by RDA Far North and its stakeholders in addressing the issue. Data, along with some first-hand examples of families who are negatively impacted as a result of the deficit in childcare services available to them, are included in the report. This information conveys a difficult state of affairs in relation to the childcare services deficit in the Far North and details the negative impact it is having now on the community. It also details the potential impact to the region moving forward if access to childcare services is not improved. Details of current and proposed actions by the State and Federal Government to deal with the deficit in childcare in regional Australia have also been outlined.

The document also includes a range of recommended actions which can be considered by RDA Far North and its stakeholders and provides an overview of how some other regions, facing similar challenges are dealing with the issue.

The key-findings for this initiative cover a range of issues that focus on staffing shortages in childcare centres across the region and the under-supply of childcare services in the region and the impact this has on the economic sustainability and wellbeing of Far North communities.

Next Steps

The final component of the document outlines a response from the Far North Region which include specific actions for communities along with advocacy activities that may benefit from a “whole of region” approach.

As an immediate next step, it is recommended that all of the Far North Councils come together for a round table and discuss how they can achieve the following:

- a. Advocate effectively as a whole of region – using the finding of this report to raise awareness of the challenges and reflect the region’s readiness to be innovative and pro-active when it comes to resolving childcare issues. Joint meetings with State and Federal Members of Parliament, for example.
- b. Determine which specific actions Councils, as a collective can tackle in the first instance. For example, there are several opportunities to respond to staffing supply issues collectively or advocate for In-home Care Eligibility Changes.
- c. Share how each of the Councils will tackle issues which relate specifically to their Council and identify how Councils can support each other in addressing these. For example, the delivery of a campaign in Coober Pedy to increase the use of childcare to ensure its long-term sustainability may provide insight for other Councils.
- d. Agree to continue the sharing of information and support relating to childcare issues.

1.2 DOCUMENT PURPOSE

The purpose of this document is to provide RDA Far North and the Councils it represents with detailed information relating to childcare services in the region. It is designed to articulate the challenges and opportunities in relation to childcare services and better inform RDA Far North and its stakeholders. It will help formulate a strategic response from the region, with stakeholders working collaboratively to address the current and anticipated future shortfall in childcare services for the Far North region.

1.3 RESEARCH

1.3.1 Community Consultations

Two community consultation sessions were undertaken – one in Quorn and one in Port Augusta. Only a small number attended the Port Augusta session (3), but some interesting insight on the challenges of finding appropriate childcare and the impact that was having was provided from participants.

The session in Quorn was very well attended, which is an indication of the commitment of the parents in the community who are currently advocating for childcare service development. Approximately 15 parents attended offering information about the dire conditions for families in relation to access to childcare. There is no formal childcare currently available in Quorn. One parent was providing informal in-home care for some families, but she is currently taking maternity leave and will not be providing this service after January 2024.

1.3.2 Community + Childcare Centre Visits and Targeted Meetings

As part of our consultation and engagement we undertook the following activities.

- Regional Tour, visiting each of the main Far North communities including Coober Pedy, Roxby Downs, Port Augusta, Quorn and Hawker.
- Council Meetings – we met with the CEO’s and other relevant staff / stakeholders of each of the Far North Councils. We discussed the current and future childcare service delivery challenges, their policy and the nature of their contributions to the industry. Some Councils own / manage childcare facilities, whilst others provide external support.
- Childcare Centre Visits + Staff Interviews – we visited five childcare facilities in the region and interviewed the staff to better understand the nature of the current service offer. Waiting lists, staffing, infrastructure, funding and other challenges were discussed with Childcare Staff.
- Online Consultation session with remote families – we interviewed two families who currently reside in remote locations. Both were living and working on stations and grappling with raising children.
- Other Stakeholder Meetings – we interviewed other informants who have a direct relationship with the childcare industry. This included:
 - Sue Barry – University Hub. Sue has been working closely with Roxby Childcare Centre and BHP on a pilot program to increase the number of qualified childcare staff in Roxby Downs.
 - Chloe Hunter – Remote + Isolated Children’s Exercise (RICE). RICE deliver a range of childcare and pre-school related services for families living in remote South Australia.
 - Suloshini Jahanath – Corporate Affairs BHP. Sulo has been the representative from BHP helping to address the childcare challenges in Roxby Downs, particularly in the context of mining families who need care when living in / moving to the region.

1.3.3 Document Review

Several documents and other materials were reviewed with relevant information identified and noted later in this report. The following documents were reviewed.

- Australian Competition and Consumer Commission Childcare Inquiry 2023¹ – Final Report released in December 2023
- Australian Productivity Commission Early Childhood Education and Care Inquiry 2023² – A draft report was released in November 2023 with the final report expected to be available June 2024.
- South Australian Government’s Royal Commission into Early childhood Education and Care 2023³ – Final report released in August 2023.
- Other Materials
 - ABC news publications and reports⁴
 - Department for Education SA – various online publications including the Early Learning Strategy and regulatory documents⁵.
 - Australian Childcare Alliance SA⁶
 - Victoria University⁷
 - Eyre Peninsula Early Education & Care – November 2023

2. KEY FINDINGS

2.1 Workforce supply is the most significant challenge for childcare providers.

Even if childcare facilities are available and it is affordable for parents, the number of places available may still be reduced because of the lack of staff. For example, one of the childcare facilities in the Far North region can accommodate up to 90 children based on its license but only services 59 children daily due to a lack of staff with suitable qualifications. Most of the centres have rolling vacancy advertisements seeking qualified childcare workers.

Attracting Early Childcare Teachers (ECT) is particularly difficult and technically each childcare facility with over 25 children should have at least one. Facilities with less than 25 children in care need to have access to ECT for at least 20% of the time the service is operating. Gaining this qualification takes the same amount of time as any other Teacher's degree but unfortunately there are less graduates attracted to ECT roles because the working conditions are not as attractive. ECTs working in a childcare setting receive the standard four weeks leave, whereas Teachers in a normal school setting receive many more weeks of leave.

2.2 Shortages in relation to childcare vary across the Far North Region although overall there is a significant under-supply of childcare places for families.

- Flinders Ranges and the Outback Communities Authority have no access to long daycare and limited access to other childcare services that may help. This is causing significant issues for the families in Quorn, who are dealing with added stress.
- Roxby Downs, according to some data indicates they have an oversupply of long daycare places, based on the Mitchell Institute modelling, yet the community indicates an undersupply and there is a significant waiting list.
- Coober Pedy currently has an oversupply of long daycare places but one of the facilities has struggled to be financially sustainable in the past.
- Port Augusta is dealing with a significant under supply of long daycare places and the community is dealing with long waiting lists. It is also supplying some families from Flinders Ranges Council.

2.3 Many families are having to wait long periods of time to access the childcare that they need and when it is offered, it is often inflexible and does not suit the entirety of their needs.

Many families place their names on childcare waiting lists when they find out they are pregnant with an expectation that the care they need will still not necessarily be available when they need it. Some are on waiting lists for up to two years, with places only becoming available after their child turns 2 years. This is largely due to the limited number of places available for children aged under 2 years, which require much

greater staff to child ratios. For example, centres may only be able to accommodate 8 – 12 babies but they may be able to accommodate 20+ children aged over 2 years and beyond.

2.4 Childcare shortages are having an impact on families in a variety of ways.

Families are indicating that the lack of childcare places is creating mild to severe stress on families. Impacts include:

- Increased stress affecting the wellbeing and mental health of parents/carers and children. This is caused by several factors including long commutes to access childcare, a lack of flexible childcare options and reliance on family and friends for childcare which can be unreliable.
- Financial difficulties which occur due to parents' inability to return to work when desired or to work the preferred number of hours – due to the lack of childcare options. This is particularly pertinent in the context of the current cost of living crisis.

2.5 Advocacy across the region from a range of stakeholders will be necessary to improve the situation.

The strategy will provide much more detail about this but the challenges across childcare are complicated and inaccessible – in other words there is no easy fix. It will take collaboration and relationship building across all levels of government and a willingness to think outside the box. There are some regulatory issues that could be changed without issue that may improve the situation for some families.

For example, the Outback Childcare Program is currently financially prohibitive for most families but if the regulations were changed to allow for in-home care this would increase subsidy available for families and make it more affordable. It is important to keep in mind however, that finding suitable staff to accommodate this increase in demand would still be an issue.

2.6 Some facilities are pushing the compliance boundaries in terms of staffing and regulations to meet consumer needs.

This is a very observational statement with none of the childcare facilities openly admitting to non-compliance and many of them have waivers from the licensing board to cover them for any non-compliance issues. This is a symptom of the stress that exists across the sector, the steadily increasing compliance requirements within the industry and the desire for facilities to meet the needs of families first and foremost. There is no suggestion that quality of care of the children within facilities is being compromised as a result and the quality of care available was not within the scope of this project.

The following provides an overview of the childcare ratios required to meet the legislated standards in South Australia.

Age of children	Educator to child ratio
Birth to 24 months	1:4
Over 24 months and less than 36 months	1:5
36 months up to and including preschool age	1:11
*School Age Children (OSHC)	1:15

Recent media reports have indicated that some centres are making use of an “under the roof” ratio loophole. This sees management at some centres calculate the ratio of educators to children present across the entire service, rather than maintaining ratios as outlined above, which expects carers to be in rooms with children specifically. For example, a staff member might be counted who is working in the office or undertaking other duties, rather than caring for children. These workers are being mis-counted to maintain ratios. According to a recent investigation by the ABC, this approach is tolerated in the context of staff being able to take short breaks, but childcare facilities are taken advantage of the loophole.⁸

2.7 There are some positive initiatives across the region addressing childcare issues.

Several projects are happening that will have a positive impact and help to address the challenges. For example, the partnership between Uni Hub, BHP and Roxby Downs Childcare to train staff and the Flinders Ranges Council have allocated a sum of money to investigate the feasibility of suitable childcare services in Quorn. The RICE program is also reasonably unique in Australia and provides some great opportunities for those families living in regional and remote communities

3. CURRENT LANDSCAPE

3.1 About Far North Region of South Australia

The RDA Far North Region covers a vast area of almost 800,000 square kilometers. Whilst there are some reasonably sized communities within the region including Port Augusta, Roxby Downs and Coober Pedy, much of the region is remote or very remote (ABS Australian Statistical Geography Standard Edition 3). It has a population of 26,555 people with Port Augusta acting as the largest commercial centre.

The median age in the Far North Region is 37 years which indicates a large number of the population would consist of young families. There are 1600 children aged between 0 – 4 years, and with anticipated population growth, this is expected to increase over the coming years.

3.2 Existing Childcare Services – Whole of Region

The following provides an overview of the current circumstances for all or most of the communities within the Far North Region. Further detail about each of the communities individually is documented further in this section.

- All the facilities struggle to attract suitable qualified staff – now and in the past.
- Many rely on staff who are unqualified but currently enrolled in a course to gain a qualification.
- Some facilities offer special above award bonuses to attract qualified staff including additional paid leave, accommodation, above award wages and salary bonuses.
- All Councils identify the availability of childcare as a vital service in the context of social and economic stability and growth. Many commented on the challenges faced by industry and essential services to attract workers to the region if adequate childcare services are not available. Regional towns indicate that attracting allied and primary health professionals, teachers and emergency services personnel due to the lack of childcare services.
- Whilst the situation changes from place to place, most of the communities are under-serviced when it comes to childcare. There are currently 1600 children aged between 0 – 4 in the region and there are currently 345 places available in accredited childcare facilities and 35 places available in a non-accredited facility. According to the 2022 Victoria University Study on Childcare – *Childcare Deserts and Oases: How Accessible is childcare in Australia*⁷, the whole of the Far North region is a childcare desert with 0.2 – 0.0 places available.
- Several facilities engage migrant workers to fill positions. Some on visas who seek work in the regions but once qualified are attracted back to metropolitan regions.
- Most facilities indicated they had significant waiting lists with many families waiting for long periods to access long day care. Families with children aged under two often have the longest wait. This age group is the most resource intense for centres to offer and most can only offer a limited number of spaces. For example, a Centre may offer 10 spaces for babies aged 6 weeks to 2 years and then 20-30 spaces for the 2

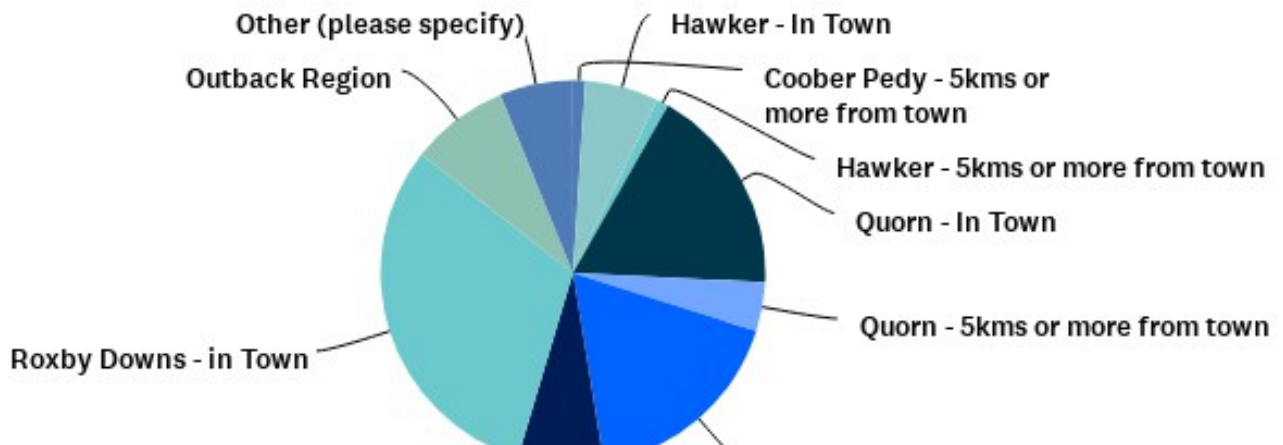
- 3 age group. Six months+ is not an unusual length of time for a family to wait for care, depending on their location and their needs.
- Anecdotally, some estimate the waiting lists under-estimate the actual need within communities with many not bothering to sign up to waiting lists because they know they are unlikely to get care.
- Some families resorting to flying in relatives from elsewhere to support childcare needs, due to lack of access of both long-day care and school holiday programs.

3.3 Survey Results

An online survey was distributed as part of this project. There were 97 respondents including 31% from Roxby Downs 26% from Port Augusta and surrounds and 22% from Quorn or surrounds. The following provides some an overview of the survey results.

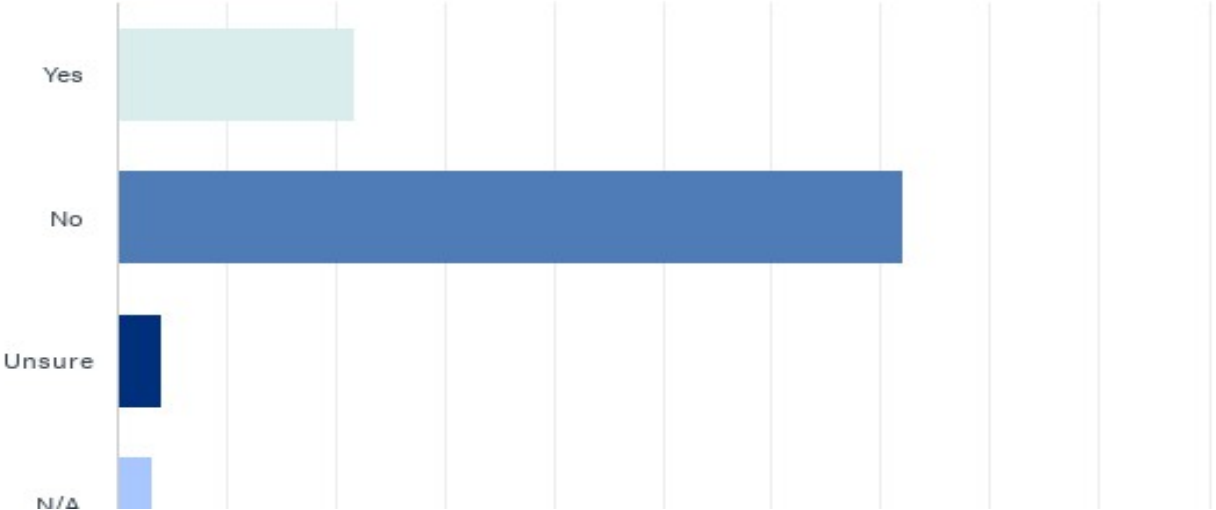
Respondents Origin:

Q2 Where do you live



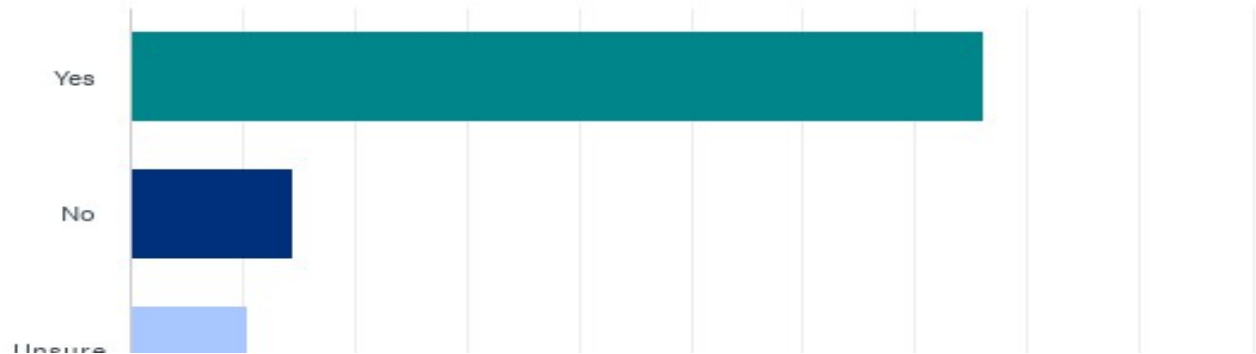
Question: Are you currently able to access the childcare that meets all your needs?

currently able to access the childcare that meets all of

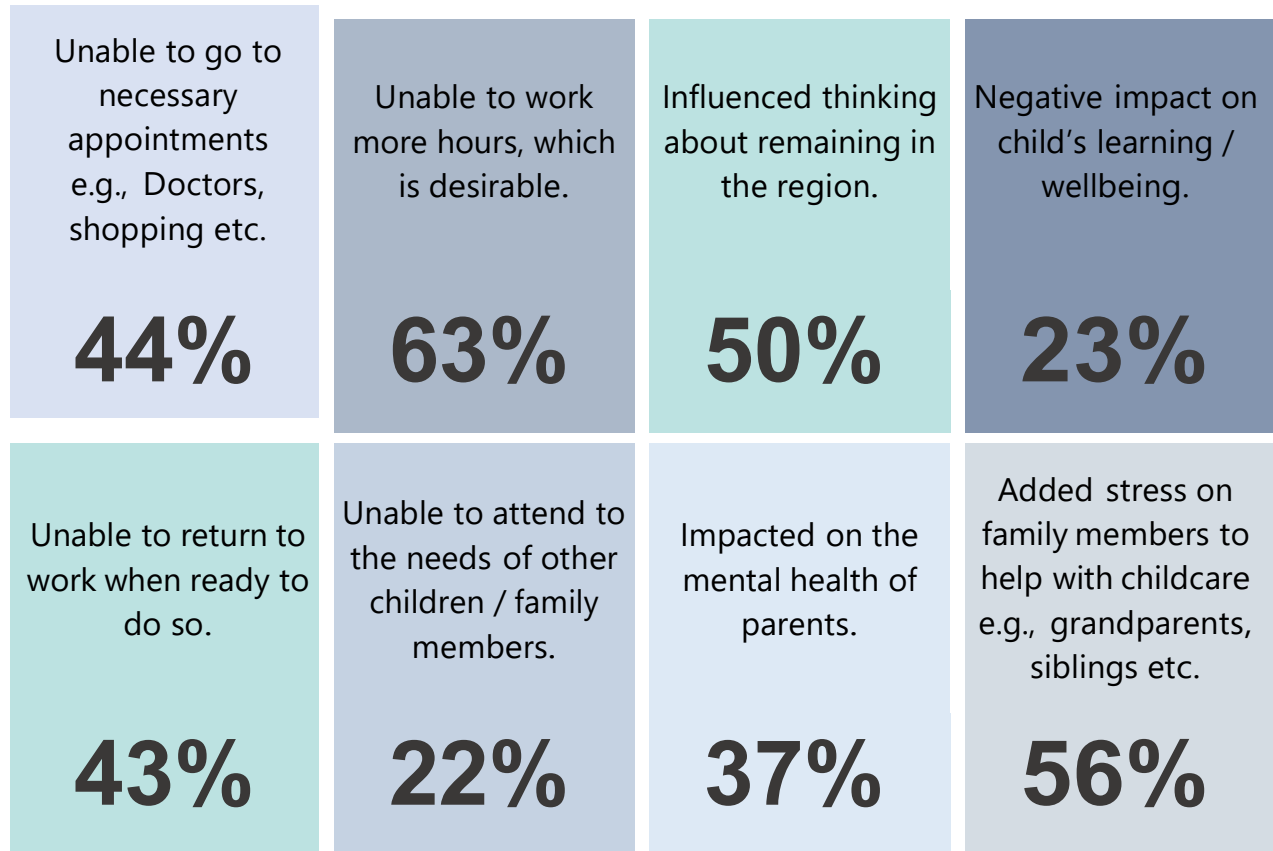


Question: Do you anticipate that your childcare needs will increase in the next three years?

icipate that your childcare needs will increase in next

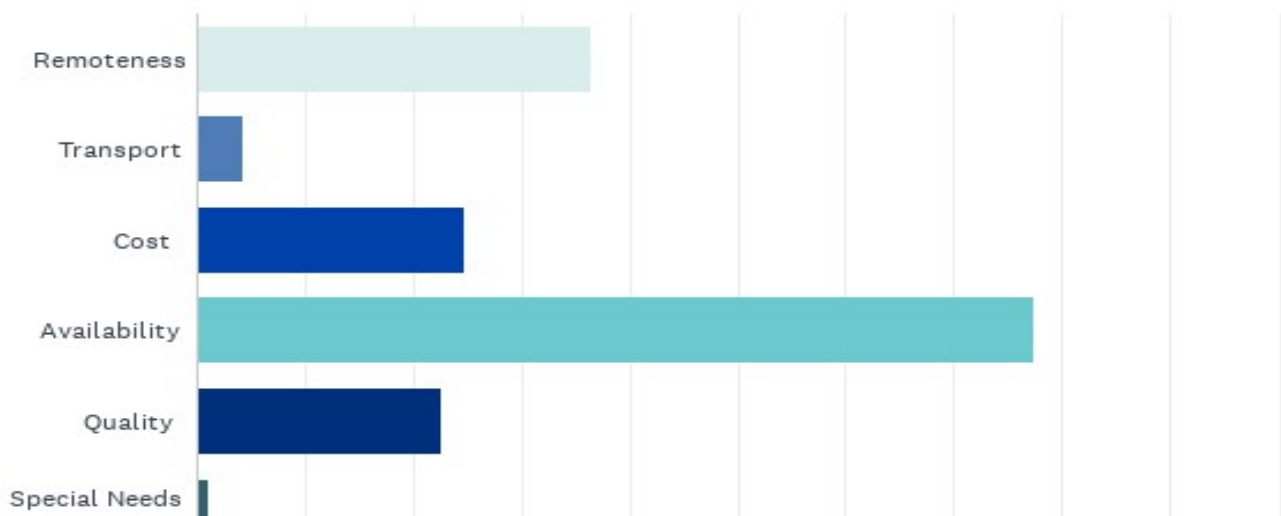


Question: What impact does limited access to childcare have on your family?

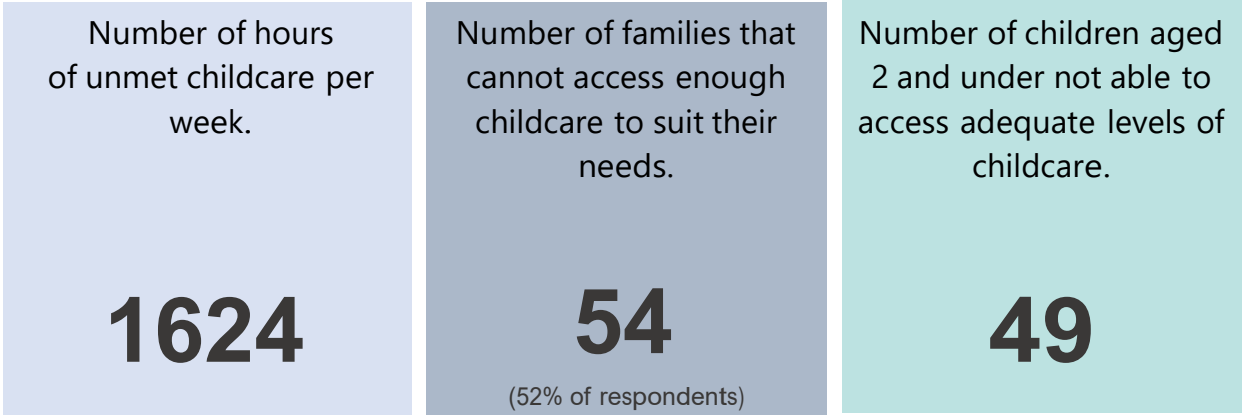


Question: What are the main challenges for you in terms of accessing childcare?

Following what are the main challenges for you in relation to accessing childcare services in your town / area? Tick all that apply.



Question: How many hours per week of childcare are you currently in need of but unable to access? NB: The following is based on the 97 survey respondents and is not definitive but provides an indicator the level of unmet need in the region.



3.4 Personal Stories

Throughout the consultation period, parents shared their personal struggles relating to the lack of childcare services. The following quotes convey a sense of some of the stories captured during the project.

<p><i>"I have to get my kids up before dawn, drive 30 minutes to Port Augusta and then drive back so that I can put in a day's work."</i></p>	<p><i>"I lived here for six months before I could get childcare. We had to bring my parents here from interstate to help out."</i></p>	<p><i>"My husband and I are both teachers and if we can't get childcare locally, we will have to seriously consider relocating elsewhere."</i></p>
<p><i>"I'd like to have a second child but unless I know I can get childcare after the baby is born, it is just not worth the stress."</i></p>	<p><i>"We will move to Adelaide if I cannot get a spot for my second child in the Centre."</i></p>	<p><i>"Had to leave my job due to not having access to childcare."</i></p>
<p><i>"It is a fact of life – we just have to travel to access childcare – 80km round trip."</i></p>	<p><i>"It puts financial pressures on families because only one can work. With rising interest rates, it is getting tough."</i></p>	<p><i>"My job is at risk because I can't get the days I need in childcare. My work cares but they are trying to run a business."</i></p>

3.5 Existing Childcare Services Individual Communities

3.5.1 City of Port Augusta

There are two main childcare centres in Port Augusta including the Port Augusta Childcare Centre and the Edge Early Learning Centre. There are also several facilities providing pre-school programs, there is some occasional care available, and several play groups convened within the community. No registered family day care services could be identified in the Port Augusta region. There are currently 797 children aged between 0 – 4 years living in Port Augusta but there are families situated in the Flinders Ranges Council area that also used childcare services in Port Augusta.

The Remote and Isolated Children’s Exercise Service (RICE) is also situated in Port Augusta, which provides a range of services for geographically isolated families including pre-school program, when families visit Port Augusta and an outback childcare service.

There are currently two childcare centre development projects in train within Port Augusta. Both are at different stages of the planning and development process and if completed could accommodate another 180 children within Port Augusta.

Between the two existing childcare centres there are currently 134 spaces available. Edge Early Learning (EEL) is owned and managed by a private company based in Queensland. The company owns 61 childcare centres around Australia, 18 of these are in South Australia. The Port Augusta Childcare Centre is owned and managed by the City of Port Augusta, with the current cohort of Elected Members viewing it as an essential service. This could change however depending on the financial burden it may place on Council and its ratepayers in the future and if other childcare options become available in Port Augusta, it may no longer be required or desirable for Council to offer the service.

Port Augusta Childcare Centre	Edge Early Learning Centre
<ul style="list-style-type: none">• Owned and Managed by the City of Port Augusta.• Currently offers space for 59 children.• Can accommodate up to 90 children based on the facility’s footprint but not enough qualified staff to meet legislated ratios for more than 59.• 80 children on waiting list – half of which is for the baby’s room. Reports of some waiting up to two years, registering when their babies are born and unable to secure a place until they are 2+ years.• Runs rolling advertisements to attract staff with limited success. Takes approximately 2 months to fill staff vacancies.• Older less modern facility in need of some upgrades.	<ul style="list-style-type: none">• Private Enterprise• Currently offers 75 spaces• Limited waiting list at the time of interview with most families applying for care, able to access it within a few weeks depending on needs.• Regularly advertises for staff.• Does not run a kinder program due to their inability to attract a qualified teacher.• Has a waiver in place for to operate despite a deficit in the number of qualified staff at the centre.• More modern facility.• Limited footprint with no capacity to grow facility from an infrastructure perspective.

3.5.2 Roxby Downs

Roxby Downs has one large childcare centre that resides within a broader children's and families services precinct, which is called the Roxby Downs Children's Centre for Early Childhood Development and Parenting. There are currently 365 children aged from 0 – 4 years in Roxby Downs and the childcare facility accommodates 170 children. It is situated adjacent to the Roxby Downs Area School and the community centre which houses the library and has several consulting suites used to deliver community and allied health services. A state-funded pre-school program is co-located with a Commonwealth funded long-day care program.

The Centre is a hybrid management model with a State Government employed Centre Manager and Governing Council or parent representatives in place. As a largely "mining company town" BHP is also a key stakeholder in the facility providing support and funding specific programs that contribute to the Centre's childcare services sustainability. As a mining community it also experiences a level of transience and in the past, there has been a significant level of one-person and no-dependent children households. In recent years, this has been changing with more mine workers choosing to bring their families to the region and settle rather than subscribing to the "fly-in-fly-out (FIFO)" lifestyle.

BHP as the biggest local employer (by far) in Roxby Downs, it recognizes the vital nature of childcare services when attracting and retaining staff for their company. They have supported childcare services in Roxby Downs in a range of ways including:

- The supply of accommodation for FIFO childcare staff – flown in to support the centre in maintaining its legislative staff ratios and qualified staff numbers.
- Support with securing Visas for new migrants who are interested in working in the facility and gaining a suitable qualification.
- Funding to upgrade and expand the infrastructure of the Children's Centre.
- Childcare Worker Qualification Incentive program in conjunction with the Uni Hub in Port Augusta. This program sees BHP paying the enrolment costs of people willing to gain a Cert 3 in Childcare with a view to working in the Roxby Downs facility if considered suitable. The Uni Hub has ten people enrolled as part of the piloting of this project.
- Supporting residents to set up Family Day Care, including those able to provide out of hours care for families who work shift work.

There has been no specific interest from private providers to set up a facility in Roxby Downs but there have been some preliminary discussions about the development of a new facility. This is estimated to require at least \$1million in start-up costs and would still be subject to the challenges of recruiting and retaining suitably qualified staff.

Roxby Downs Children's Centre

- Currently offers 170 places for children.
- Facility is land-locked with no capacity to grow the existing footprint but may be able to reconfigure current layout to increase numbers slightly.
- Approximately 104 children on the wait list with 70% wanting full time care. This includes 50 babies.
- Some families waiting over two years to get a place in the Centre.
- Some days it can only operate at 70% due to staff shortages.
- Several initiatives supported by BHP to strengthen the facility.
- Ongoing challenge to attract suitably qualified Staff

3.5.3 Coober Pedy

Coober Pedy has a unique status in relation to its childcare services when compared to other communities in the Far North Region. It currently has two childcare facilities one, which is run by Council and another which is run by the local First Nations Community Council. The town itself has a transient population, is very multicultural and it has the highest level of unemployment of all the Council areas in the Far North Region.

Mini Gems, the Council operated facility has capacity for 41 children and at the time of the consultation, it had 15 children enrolled, which is double what was enrolled the previous year. Despite the capacity to take more children there is still a small waiting list – for the baby’s room, which currently cannot be accommodated due to staff shortages.

The Centre has struggled significantly in the past and has received significant federal grant (\$822k) in 2022 which has helped sustain the facility. Prior to the receipt of this funding, Council was considering closing the facility, which had run at a loss. The additional funds along with a small increase in fees helped to put the Centre in a stronger financial position, improve resources and better promote the offering to the community. Based on enrolments however, further efforts are still required to attract a greater number of enrolments to ensure long-term viability.

Like all childcare services it is a struggle to attract and retain qualified staff, which also presents a challenge when trying to attract new enrolments – with more children the need for more staff grows. At the time of the consultation the Council had three qualified childcare positions advertised as well as a cook with no success in attracting applicants. Council offers generous benefits including a housing allowance and above award salaries.

Umoona, is a non-accredited childcare facility owned and managed by Umoona Community Council – a First Nations group located in Coober Pedy. The facility currently has 27 children aged between 7 months and 5 years enrolled and can take a maximum of 35 children – they don’t currently have anyone on their waiting list. Most children are First Nation’s children, but it welcomes children from all backgrounds. They too, struggle to secure qualified staff and have a Diploma qualified educator working towards an Early Childhood Teaching (ECT) qualification. There are other staff working towards qualifications also, who are required to do placements in accredited facilities, which can be difficult.

Coober Pedy is a community where the introduction of free childcare may improve the outcomes of local children with the availability of places in childcare not the main issue. Lower incomes may be one of the barriers in the township, to accessing childcare. Naturally, the challenge to attract staff may also continue.

Mini Gems	Umoona Childcare
<ul style="list-style-type: none">Owned and Managed by the District Council of Coober Pedy.Currently offers space for 41 childrenOnly 15 children currently enrolled but still a small waiting list for the baby’s room.Difficulty in attracting qualified staff.Tenuous financial position recently which may re-emerge depending on the capacity to sustain enrollments.	<ul style="list-style-type: none">Community run facility – owned by the Umoona Community Council (First Nations based).Non-accredited facility which means it is not subject to the same level of scrutiny as accredited centres.Currently 26 enrolled with no waiting list.Can accommodate up to 35 children.

3.5.4 Flinders Ranges Council

Flinders Ranges Council is the Council region with the direst need for childcare services. There are currently 95 children aged between 0 – 4 years living in the Council area, with no long daycare facilities in the area.

Residents in Quorn, which is a 30-minute drive from Port Augusta can access services in Port Augusta but using these facilities comes with the challenge of travel and distance. That is of course, if they can secure a place in Port Augusta, which is difficult given the current availability of childcare places, with some parents in Quorn reporting a 12 – 18 month wait to access childcare. For those working in Port Augusta, it is less of an issue but may involve particularly early mornings for infants and toddlers, which is not ideal.

Up until recently there had been 1 – 2 women offering informal family day care to families in Quorn but as of early 2024, neither of these were available. The feedback from families during the consultation indicated that the childcare situation in the town had become quite dire with approximately 20 – 30 kids in need. Parents working in essential services including health and education considering moving away due to the lack of available childcare. Some are also considering dropping back their hours at work and re-considering having their first or second child because of the stress involved in securing childcare and the lack of support when they are ready to return to work.

Flinders Ranges Council has been discussing the childcare deficit within the community and has identified it as a significant risk to the sustainability of the community – retaining population and attracting essential services staff. They have recently allocated a sum of money to do further investigations into the possibility of establishing a childcare facility within the community. There are some community spaces that may be suitable for the establishment of a childcare service or there is the potential to develop a facility within the existing primary school grounds.

For those living in Hawker, the other main Flinders Ranges Council, the tyranny of distance prevents them from accessing facilities in Port Augusta, which is an hour and fifteen-minute drive. There is a pre-school program in Hawker, a playgroup and RICE offers a creche facility for 0 – 5-year-old children, every Friday between 8.45am and 3.15pm.

3.5.5 Remote Childcare in Outback South Australia

There are currently 134 children aged between 0 – 4 years living in the South Australian Outback which falls under the administration of the Outback Communities Authority. It takes in the small communities of Leigh Creek, William Creek, Arkaroola, Maree, Woomera, Pimba, Parachilna and Andamooka and represents approximately 63% of South Australia's land mass.

Childcare service delivery within this region is extremely limited. Remote and Isolated Children's Exercise (RICE), which has an office in Port Augusta provides support for families living in remote areas including two remote Creche services (Orroroo and Hawker), an online / face-to-face hybrid pre-school program and activity and play days at their facility in Port Augusta – when remote families might be visiting the region's main commercial centre. The Aboriginal School in Marree has a creche but it can be unreliable and families wishing to use it, need to travel long distances.

RICE also offers Outback Childcare, which sees educators delivering live-in care for families who are unable to access mainstream childcare programs. Unfortunately, the service is expensive, it requires the family to have suitable facilities to accommodate a live-in educator and RICE continues to find it very difficult to attract qualified staff to fulfill positions. The cost is \$15 per hour, for the first child and \$5 for each additional child after that and meals and accommodation are to be provided by the family. This program is not subsidised by government payments or funding due to the in-home nature of the program, which deems families ineligible to apply for the childcare subsidy. Care for two children for a week will cost \$763 plus meals and accommodation and families are only able to access for six weeks per year.

Families living in remote locations are technically eligible for the Federal Government's In-home Care service, but this does not allow for "live-in" care, with an educator travelling to and from the home each day. The remote nature of the families living in the Far North Region makes travel to and from their homes by educators impractical – with many situated 100's of kilometers away from the nearest town.

Some families situated in outback locations live on stations and can pay for a live-in Governess, which they can afford themselves or it is offered as a benefit of their employer who owns the station they are living / working on. These are not early child educators and duties as a Governess differ from that of a childcare worker, and therefore not a replacement for a quality childcare experience for children aged 0 – 4 years.

4. FUTURE GROWTH + DEMAND

4.1 Regional Growth Expectations

Future childcare services must be considered in the context of the Far North Region's anticipated growth trajectory and what impact this might have on demand. In turn, it is vital to contemplate the impact of a lack of access to suitable childcare services on growth potential.

Based on the data produced by the State Government's Plan SA⁹ the region is expected to have minimal population growth, with some of the Council areas projected to have negative growth between now and 2041. There are several major economic initiatives in train for the Far North region however, which could influence population growth and increase workforce demand. With a potential increase in demand comes new families moving to the region – all in need of housing and access to services including health, education and childcare. Possible growth influencers include:

- Mining in the region is set to expand, particularly with the identification of major copper deposits. Oak Dam, one of the most significant copper discoveries in recent history is situated in the Far North Region. The demand for copper globally is expected to double over the next 30 years.
- According to the Australian Resources and Energy Employer Association Resources and Energy Workforce Forecast 2023 – 2028¹⁰, the industry in South Australia will require an additional 3390 workers by 2028.
- The proposed Northern Water Project¹¹ would see the construction of a 260 megalitre a day desalination plant on the Eyre Peninsula and a 600km pipeline transporting desalinated water to the Far North. The construction of the pipeline is expected to generate a significant number of jobs and the ongoing water supply is expected to have a positive impact on mining, defence and pastoral industries in the Far North, which may affect population growth. The business case for this project indicates employment growth of 3569 jobs.
- A government de-centralisation initiative presented by RDA Far North indicates that if the State Government were to de-centralise the public service, the Far North Region could see an increase of 629 additional public sector jobs.

4.1.1 Negative Impact on Growth

The survey undertaken as part of this project indicated that many have considered leaving the area due to the lack of access to childcare funding – in Outback Regions, Port Augusta and Quorn in particular. Representatives from Council also indicated that their communities struggle to attract essential workers, for several reasons including access to childcare.

On the back of the Covid-19 Pandemic migration from metropolitan cities to regional centres increased significantly. This presents an opportunity for some of the communities in the Far North including Port Augusta, Quorn and Roxby Downs, which may have employment opportunities for those considering relocation. Based on research by the Regional Australia Institute¹² after employment prospects, the liveability of a place is critical in their decision to relocate. Along with access to health services and cost of living and

natural amenity, access to education services is extremely desirable. In other words, if the prospective new resident doesn't feel there are suitable school and childcare services, they are less likely to relocate to the community.

4.2 Childcare Demand Aligned with Population Growth

- The table below provides projections of the number of children aged between 0 – 4 years based on possible population growth.
- The “Long Daycare Places Needed” Column is an indicator of the number of long daycare places required to eliminate the region’s status as a childcare desert. This estimate is based on the Mitchell Institute’s Deserts and Oases Report.

Specific characteristics including income, family structure, employment and social networks for each community vary and may impact on childcare demand.

For example, based on the Mitchell Institute estimate, *Roxby Downs currently has an over-supply of childcare places. This does not align with the current waiting list and the anecdotal evidence gathered as part of this project. The region has a high proportion of full-time employees working in the mining industry and there would be a less than average number of families that would have grandparents and other family support to help with childcare – all of which may increase the demand for childcare places.

- It is important to note that the population projections are not based on current demographic data as calculated by the State Government.

Current Population

Council Region	Population	Children 0 – 4 years	Long Daycare Places Needed	Current Availability	+ / -
Port Augusta	13829	797	383	134	-249
Roxby Downs	3976	365	146*	170	+24
Flinders Ranges	1646	95	38	0	-38
Coober Pedy	1566	66	26	76	+40
Outback Area	3006	134	54	0	-54

Current Population + 10%

Council Region	Population	No. of Children 0 – 4 years	Long Daycare Places
Port Augusta	15208	877	351
Roxby Downs	4374	402	161
Flinders Ranges	1811	105	42
Coober Pedy	1723	73	29
Outback Area	3307	147	59

Current Population + 20%

Council Region	Population	No. of Children 0 – 4 years	Long Daycare Places
Port Augusta	16595	956	382
Roxby Downs	4771	438	175
Flinders Ranges	1975	114	46
Cooper Pedy	1879	79	32
Outback Area	3607	161	64

Current Population + 35%

Council Region	Population	No. of Children 0 – 4 years	Long Daycare Places
Port Augusta	18669	1076	430
Roxby Downs	5368	493	197
Flinders Ranges	2222	128	51
Cooper Pedy	2114	89	36
Outback Area	4058	181	72

4.3 Other Influences on Long Daycare Demand

4.3.1 Introduction of 3-Year-Old Pre-School

The South Australian Royal Commission on Early Childhood Education and Care has released a report recommending 3-year-old pre-school be introduced in South Australia.

The current South Australian Government has made an in-principle commitment to commence roll out of 3-year-old pre-school from 2026 with full implementation completed by 2032. Several challenges are still to be addressed before a change of this magnitude can be rolled out, with figures suggesting the state will need an additional 32 pre-schools constructed, and an additional 660 early childhood teachers, 813 educators and 112 other staff. Other states including Victoria and New South Wales are proposing similar programs to introduce 3-Year-Old Pre-School. There is currently no information in relation to when 3-year-old pre-school will be rolled out in the Far North, but it is likely not for at least the next 4 – 5 years.

Whilst it will be some time before 3-year-old pre-school is available more broadly across the state, this will likely have an impact on demand for long day-care, occasional care and OSHC. The big difference sees the cost of pre-school education handed over to the government a year earlier than is the case now. Currently parents who want to access 3-year-old pre-school programs must pay 100% of the fees, minus whatever subsidies they are eligible for. With the introduction of 3-year-old pre-school the Government will now be responsible for 15 hours of care per week for children from aged 3 as opposed to 4 years of age. Parents wanting / needing care above and beyond the 15 hours will still be expected to pay for the remainder.

This reform doesn't change the number of children who will physically need to be cared for in a long day-care / pre-school facility, but it sees a significant shift of the cost from families to government – at least for the 15 hours per week for the school term that the children are in pre-school. Technically this will most likely see a reduction in the demand for long day-care but a massive increase in demand for pre-school for 3-year-olds and possibly rather than needing long-day care families will need more occasional care and OSHC.

4.3.2 Changes in Government Policy

Recent reports released by different government institutions have provided some recommendations for Government to consider in relation to improving access to childcare services. One of the suggestions was for childcare to be offered free of charge. Whilst there are no indication government will implement that recommendation, if it did, the demand for childcare may increase with those who currently limit their use of childcare because of the cost. This strategy would not necessarily improve access for Far North families in the immediate future. Challenges relating to available infrastructure and the capacity to attract qualified staff to the industry more broadly and then the Far North Region, would remain.

5. VALUE OF CHILDCARE

Research from both in Australia and around the world indicates that access to high-quality and affordable childcare is critical to ensure regional communities can thrive both economically and socially. Research suggests the following:

- Investments in high quality childhood education can generate up to \$7.30 per dollar invested for societal economic return.
- Access to stable, high-quality childcare also helps parents improve their labour productivity by increasing work hours, missing fewer work-days and pursuing further education.
- The availability of early childhood education programs attracts homebuyers and increases property values.
- Early childhood education reduces grade retention and is shown to save school systems money.
- Children that attend childcare at 2-3 years of age are more likely to be attentive and better able to cope with their emotions.
- Children who have not been exposed to play-based learning between the ages of zero to five either start school behind or are not ready to learn.
- Adults who had a high-quality early childhood education from 0 – 5 years are more likely to be continuously employed and to graduate from university.
- Access to childcare provides parents and carers with time to undertake household, social and personal tasks including health appointments, shopping, personal care and banking. Research suggests that a lack of time to undertake these tasks can increase stress and impact negatively on wellbeing – particularly for single parents/carers.

6. NATIONAL LANDSCAPE

6.1 Childcare Deserts

The lack of access to childcare services in the Far North Region is not unusual, particularly in the context of regional and remote Australia. According to a report published by Victoria University suggests that about 9 million Australians or 35% of the population live in a “childcare desert”. For outer regional parts of the country this number increases dramatically with 61% of the population living in a childcare desert.

A large proportion of Regional SA is also considered to be in a “childcare desert”. Along with the estimates provided in the Victoria University report, recent studies in Eyre Peninsula, in Southern Mallee and the South-East regions have all indicated access to childcare is a significant issue.

6.2 Staffing Challenges

Labour shortages within the childcare industry is a national problem but even more so for regional and remote locations. Business Insider Australia indicated in an article published in December 2021 that whilst the employment trend in childcare was on the rise, childcare services are 10.3% below the employment levels reported in February 2020.

Whilst there are no easy solutions to this, any solutions to the current Childcare shortage and the development of new programs need to be considerate of potential staffing shortages. Whilst the SA Government is looking to increase the number of Early Childhood Educators over the coming decade, identifying incentives and supporting training initiatives that can be accessed remotely are worthwhile considering. Government does offer concessions for regional and remote communities in relation to staff qualification compliance but long term, all staff need to be qualified.

6.3 Government Response

Both the Federal and State Governments recognise the significant challenges within the childcare industry and have several initiatives in train to address the crisis. Concerns relating to access to adequate childcare, the quality of early childhood education available to Australian children, childcare affordability and ensuring there is suitably qualified workforce for the early education sector are all critical issues for government at the moment. It is largely agreed that the lack of access to childcare is having a negative impact on the economy. For example, the Victoria University Report on Childcare Deserts and Oases indicated a direct link between access to childcare and workforce participation. Areas with more childcare supply also have higher levels of mothers in the workforce, which in a time of low unemployment and skills shortages, is a problem.

The following provides an overview of three key documents produced by State and Federal Government in the last three months.

- **Australian Competition and Consumer Commission (ACCC) Childcare Inquiry**

The scope of the inquiry is to examine and consider costs and availability of labour, the use of land and related costs, finance and administrative costs and regulatory compliance costs amongst other things.

In the past, the adequate availability of childcare services has relied on a combination of things but market forces, which are influenced by demand are a much bigger part of the picture within the current policy landscape. In other words, the expectation has been that if there is a demand for childcare services, private and community operators would step up and develop these services. Various funding and subsidies have been provided in different forms to help these services establish themselves and remain viable but overall, this approach has not resulted in adequate access to childcare across Australia.

Based on the Victorian University report 50% of childcare providers in Australia are for-profit, 35% are not-for-profit, 11% are managed by state or local governments and 4% by non-government schools.

This scope of this inquiry is focused on the cost of developing and delivering childcare services and better understanding why market forces have not sufficiently responded to demand. It considered the costs and availability of labor, administrative costs, regulatory compliance costs and the prices being charged for childcare. Findings from the interim report, which was released late in 2023, include:

- Market forces under the current policy settings are not delivering on accessibility and affordability for all children and families across Australia.
- Government intervention is necessary to ensure supply in remote areas.
- For profit providers have a higher profit margin and pay staff less.
- Costs to supply centre-based day care have been increasing.
- The childcare sector is generally profitable.
- Current educator shortages are having a material impact on the supply and cost of childcare.
- The existing price regulation mechanism has a limited effect on price.
- Childcare in Australia is relatively expensive when compared to other OECD countries, with families in Australia paying twice the OECD average.
- That pricing caps be considered for childcare hourly rates.
- Childcare operators target the most profitable suburbs in Australia's biggest cities, meaning privileged areas are most likely to have places and competition.

- **Australian Productivity Commission Early Childhood Education and Care Inquiry**

This inquiry examines the early childhood education and care sector (ECEC) including centre-based day care, preschools, family day care, outside of school hours care and in-home care. The Commission will consider cost and availability barriers that affect access to ECEC services, and ways to support better outcomes for children and families. A draft report has been released and is now accepting submissions with the final report due by June 2024.

The interim report indicates the following, which is relevant to this project:

- The availability of quality ECEC can depend on where children live – the far north of SA has a 0 – 0.2 ratio for the number of approved ECEC places to population of children aged 0 – 5 years.
- Services in more remote and lower-socio economic areas are less-likely to meet the National Quality Standards (NQS)

- Workforce challenges constrain the availability of ECEC.
- Despite government subsidies, cost can be a barrier to ECEC access for low-income families.
- Governments will need to underwrite expanded supply of ECEC.

- **South Australian Government's Royal Commission into Early Childhood Education and Care**

This project was finalised with the release of the final report in August 2023. It focused on the extent to which SA families are supported in the first 1000 days of a child's life, how universal quality preschool programs for 3-to-4-year-olds can be delivered in SA and how families can have access to out of school hours care.

The final report identified a vision for SA children in the first 1000 days of life and made the following recommendations. These include:

- SA Government sets a twenty-year goal to reduce the rate of children entering school developmentally vulnerable.
- Legislating the Office for Early Years to lead the early child development system.
- A new national settlement of roles and responsibilities in early childhood education and care.
- Legislating for a new universal child development data system.
- Several actions for the Commonwealth Government including adopting a needs-based funding model for early childhood education and care, and an increase in pay of early childhood education and care educators.

7. FAR NORTH RESPONSE

7.1 Advocacy

Some advocacy activities should be undertaken by individual Councils in line with their specific needs, but the region should also advocate collaboratively. The Region may find its advocacy efforts more effective if it works collaboratively with joint communications involving Ministers and local Members of Parliament from both State and Federal governments. The actions detailed in the next section will provide a focus for advocacy efforts for the region as a whole and individual Councils.

7.2 Actions

7.2.1 In-home Care Eligibility Changes

RICE's Outback Childcare Program provides in-home childcare for remote families with the supply of educators who live in the home for short periods of time. Unfortunately, the service is expensive and not often used by the families who most need it. Families who use the service cannot apply to subsidise the cost because it does not meet the In-home guidelines. The Federal Government's In-Home Childcare Program does not cover care offered by educators who stay in the family home. Advocating to have this stipulation changed would make the Outback Childcare program more affordable and increase access for families living in remote parts of the Far North Region. Advocating to fund incentives for educators to take up the roles would also help with access.

7.2.2 Supporting the Quorn Community with both short and long-term solutions to its deal with its childcare deficit.

Families in Quorn are desperate to improve access to childcare within their community. In the short-term, RICE may be able to provide an occasional childcare service within the pre-school facility in Quorn, which is only currently used for five days per fortnight. Other facilities could also be used for the establishment of short-term childcare services including the development of a Rural Care Childcare Service (State Government Program).

Support for the development of a permanent childcare solution should be provided, this could include incentives to attract a private operator, support to set up a community run facility or for Council to set up a facility in partnership with either a private or community provider.

7.2.3 Responding to Staffing Supply Issues

There are several actions that can be undertaken to help deal with the under supply of qualified childcare staff for the region. These include:

- An expansion of the BHP / Uni Hub / Roxby Downs Childcare Centre project that heavily subsidises the cost of studying for a childcare qualification and provides support to help candidates pass their courses, undertake their placement and secure paid employment at the completion of the program.
- Lobby for funding to help Councils / Centres offer incentives to attract qualified staff to the region.
- Working with the Department for Education to clarify eligibility for waivers and streamlining the process to apply for waivers and access specific support for Centres who have no choice but to apply.
- Advocate for an increase in wages for the Childcare Sector generally. One of the issues for the industry is the low wages offered to early childhood educators is very low and many people leave the industry in pursuit of higher paying roles. This issue is expected to get worse in the context of the recent increase in the cost of living.
- Work with RTOs to establish flexible learning options for people living in the region to study for a childcare qualification.
- Develop a shared database of qualified childcare staff with a view to sharing some staff across multiple facilities in the region. This could be particularly useful for ECT or Diploma qualified staff and relief staff.

7.2.4 Feasibility of New Childcare Infrastructure + Service Provision

Several communities need improved or larger childcare facilities. The Childcare Centre in Roxby Downs and Edge Early Learning in Port Augusta are both landlocked and have no capacity to grow their footprint and increase capacity. Quorn desperately needs to develop a childcare facility and the Council run facility in Port Augusta is also in need of facilities renewal. Feasibility studies that outline the opportunity, costings and the potential return on investment for the development of new or improved Childcare Services in the region would be useful. This would position communities to take advantage of childcare infrastructure funding when it becomes available.

This initiative could also identify other solutions for the development of infrastructure. For example, existing buildings that could be adapted in the short term to help deal with Childcare Under-supply. Transportable buildings that could be put in place for a minimal outlay should also be investigated. These are ideal temporary to medium-term solutions with the buildings able to be sold on or re-purposed when more permanent facilities are established. Karoonda, a small community in the Southern Mallee that has purchased transportable infrastructure for childcare <https://ausco.com.au/karoonda-early-learning-centre>.

7.2.5 Offer Family Day Care Incentives

Family Day Care services can be established in a short space of time in comparison with permanent long daycare childcare centres, which can take several years to establish. Offering incentives to help individuals set up Family Day Care Services in their homes may encourage an increase in the number of Family Day Care services in the region, which is currently very low.

7.2.6 Encourage the Development of Workplace Childcare

When existing industries undertake a significant expansion or large-scale new businesses are being developed, discuss the possibility of developing Workplace Childcare facilities. This can help them attract employees and position them as “employees of choice”. This is particularly relevant if the new industry is developing significant infrastructure. Alternatively, industry could be encouraged to provide cash or in-kind support to help address the shortfall in childcare services.

7.2.7 Support Facilities in Coober Pedy

Mini Gems Childcare Centre in Coober Pedy needs to continue to promote itself and encourage enrolments to ensure its ongoing viability. A campaign promoting the value of childcare for the development of social and educational skills for children might be worthwhile. Some support for migrant families may also be necessary with many of them unable to access childcare subsidies, making childcare too expensive for them.

7.2.8 Other Solutions to Consider

There are other options that have worked in other places, but they are a bit left of centre and difficult to implement in the short term because they are “different”. The following gives an overview with more research and scoping required to fully appreciate what would be involved in developing these types of facilities.

- **Intergenerational Care Services**

Intergenerational Care Services is a new approach made popular through the ABC television show “Old People’s Home for 4-Year Olds”. They are being realised in communities throughout Australia including in Adelaide and Melbourne with childcare centres built within retirement facilities. Depending on the nature and supply of aged care facilities in the Far North, a model of this type could be considered in the region – providing some efficiencies in terms of the supply of infrastructure and a range of social and well-being benefits.

- **Flexible Hourly Care**

These types of services offer childcare out of normal operational hours. This might be particularly useful in Roxby Downs where there are large number of shift worker or people working longer shift rotations.

- **Au Pairs**

Au Pair is a French term used for Nanny’s, which sees the employment of a (usually) young person within the private home of a family to care for children and undertake household tasks. There are agencies that help match au pairs, who come to Australia on working holiday Visa’s, with families. There are certain requirements associated with having an au pair including the provision of a private room in the host family’s house and a weekly salary (usually between \$600 - \$700, minus board and lodgings). The arrangement is for six months at a time, based on visa requirements, with different Au Pairs coming through the program constantly.

The two key barriers for this as a childcare solution included the personal cost to the family and the

location of some of the remote communities in the Far North. For some the level of remoteness may be an attraction but for others it may not be suitable.

- **Informal Shared Childcare Networks**

These types of networks usually see a group of families – generally in the same geographic location developing a system where they care for each other's children. These sorts of networks don't often work well for families who need long-day care and are more suitable for parents who required shorter stints or part-time care. Online platforms can be set up to make it easier to manage.

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