

WA Education & Care: A Sector in Crisis

The workforce shortages crippling the sector - endangering WA's social and health outcomes and impacting the State's economy

JOINT SUBMISSION BY:

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- Goodstart Early Learning
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THE CRITICAL IMPORTANCE OF A THRIVING WA EDUCATION & CARE SECTOR

There are clearly evident reasons for the current labour and skills shortages in Australia, but one thing is for certain, the shortages are expected to stay for decades to come as we “grow slower and age faster”, according to the Australia Chamber of Commerce and Industry[i].

The Education and Care sector (EC sector) is currently a national priority challenged by the rapid onset of accumulative negative economic conditions such as inflation, rising living costs and increasing interest rates; along with the Covid-19 pandemic exacerbating existing issues of high workloads, low pay, low morale and limited career progression opportunities.

A significant strategy to boosting the national workforce numbers is access to affordable childcare. However, the EC sector’s ability to respond is severely restricted because of the lack of capital infrastructure to deliver services (extensions and new builds), an undersupply of workers and growing waitlists. In Western Australia, the EC sector has not been a priority of the State Government as evidenced in its omission from the recent Jobs & Skills WA Report released in July 2022[ii].

These issues have escalated into a crisis, with the families and staff reporting high levels of stress trying to navigate the waves of COVID infection in communities. The reasons for this stress are that people are exhausted, juggling service closures, working from home, financial impacts and parenting responsibilities. With no confidence that the sector can bounce back quick enough, 'burnout' is sited as the primary reason for resignations - overworked and under paid for too long.

The sector has been proactive and diligent in its response to the crisis by trialing various initiatives (outlined later in this report), including financially contributing to improved conditions, wellness packages, partnering with local governments, schools and private industry in a desperate attempt to curb the issues the sector is facing. It is apparent to the organisations contributing to this submission, that it is not a lack of sector effort but a lack of higher-level coordinated responses to conditions beyond the reach of the service providers alone.

Both the labour shortage and employment pipelines are missing a responsible and accountable Department to drive changes for the WA EC Sector across all relevant government bodies. Complicated immigration processes and attraction strategies to get more Australians into both Certificate/Diploma and Bachelor degrees to meet WA and local needs are missing or too slow.

THE CRITICAL IMPORTANCE OF A THRIVING WA EDUCATION & CARE SECTOR

A thriving EC sector is critically important. Research has consistently shown how quality education and care early in life leads to better health, education, and employment outcomes later in life. The early years are critical for establishing self-esteem, resilience, healthy growth, and capacity to learn.

Quality education and care provides the solid foundation that shapes every child's future, their capacity to fully engage in society and the workplace and hence impacts the Nation's and the State's ability to prosper in future decades.

Remote regional EC services play an additional role, as they support the social, health and economic outcomes in these communities through the retention of essential workers and their families. This incentivises younger families to relocate to or remain in the region which in turn ensures that schools, health, medical and other essential services and businesses are maintained, skilled workforces are supported, and a regional population maintains a healthy, vibrant & thriving community.



This joint submission is presented to DTWD by:
Child Australia | Goodstart | Ngala | REED WA | The Y | Wanslea

Collectively we run and operate over 150 Education and Care services, employ over 2000 educators and care for over 13,000 children across all 9 Regions of Western Australia

1. INTRODUCTION

Accessible, affordable, quality childcare is a current national and state priority to support Australia's struggling economy[i]. The labour and skill shortages are impacting all industries in all states with childcare 'deserts' identified across Australia limiting the ability for 'mums and dads' to return to work[ii]. Conditions are so dire that some State Governments are also heavily investing in this federal issue[iii]. The NSW Government are committing \$5 billion over 10 years to lowering the cost of childcare and expanding and/or opening new centres across the state to enable 47,000 children to access childcare[iii].

While this investment is welcomed in NSW, the provision of support across Australia does not reflect the current accessibility issues identified in the 2022 'Deserts and oases: How accessible is childcare in Australia Report'[ii]. This report identifies Western Australia as having the lowest overall accessibility in Australia with 0.28 children per childcare place[ii].

While it feels like a victory to finally have the sector's long known issues identified as a priority and resourced more appropriately, the extreme and ongoing shortages are creating unhelpful competition between States and the EC organisations as they all try to attract and house educators. Regional and remote regional communities are hit harder with isolation, housing and higher cost of living expenses already deterring educators to relocate.

The Western Australian EC workforce challenges are similar to the rest of Australia. WA is experiencing an under supply and increasing demand of EC educators and teachers. The reducing number of graduates are resulting in higher number of staff waivers to ACECQA, growing child placement waitlists, staffing stress and attrition and reduced parent confidence in returning to work (see The Issues section of this report for full details).

The critical staff shortages are leading to unprecedented mass exodus of the EC workforce. Staff cite burnout as the primary reason for the resignation. The wellness packages and counselling to support staff stress, funded at the cost of individual organisations, was always meant to relieve workers from short-term pressures. This temporary band-aid is ineffective for the ongoing sector issues.

The situation is dire. The situation is critical. The situation is getting worse and is exacerbated in regional and remote regional WA as the already higher-than-metropolitan costs of living continue to climb and serious housing shortages being a key factor impacting the decision of whether families stay or relocate to regional WA.

The WA EC operations are in crisis mode, with no relief in sight.

1. INTRODUCTION

The funding commitments by our State Government to address these shortages are considerably less than those in Victoria and New South Wales. This disparity in funding is a travesty for WA children and their families. These shortages are acute in the mining sector in WA which is baffling given the importance of this sector to the state's wealth and stability. It is essential urgent action is taken.

This joint submission is from 6 of the largest, highly respected, and valued not-for-profit EC organisations in WA servicing Perth metropolitan and Regional WA. Together these organisations provide the largest representation of EC provision, and subsequently are the largest employers of educators in WA. With each organisation bringing unique expertise ranging from workforce development initiatives through to accredited training, this submission has been developed with significant breadth and depth of experience.

This document outlines the key issues, presents a synopsis of what is happening around the nation and identifies the gaps, that if targeted, could improve the outcomes facing the Western Australian EC sector, especially in the regional areas. Most importantly this submission outlines solutions that can have immediate and enduring impact.



2. THE ISSUES

CRITICAL WORKFORCE SHORTAGES

The Education & Care (EC) Workforce challenges in Western Australia are not unique, it is having a drastic impact on State's economy, health and social outcomes. Swift decision-making and implementation of solutions across all levels of Government in partnership with key industry organisations and EC sector are urgently required now.

- DEMAND FOR CHILDCARE -

The need for EC services and associated workforce is growing at an alarming pace.

The National Skills Commission forecasts that the EC workforce will grow by 6% or 8000 workers by 2026, and that the early childhood teaching workforce will growth by 22% or 10,600 workers in the same period. [i]

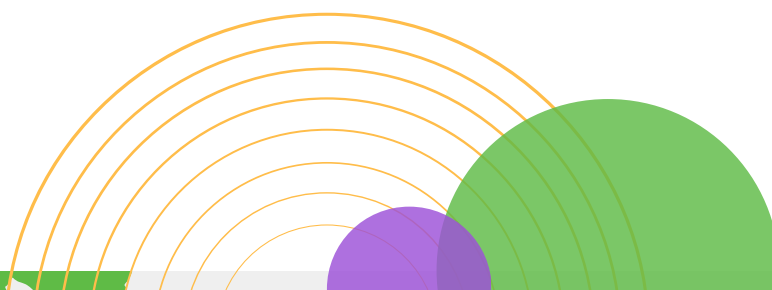
IBIS Economics predicts much faster growth in the EC workforce on the back of forecast strong demand for EC places from families. IBIS forecasts employment in the sector will grow from 185,000 in 2020-21 to 222,000 by 2026-27, or by around 37,000 workers. [iv]

Federal Labor's new Child Care Subsidy will increase demand for places.

Federal Labor will legislate its \$5.4 billion plan for 'cheaper childcare' to take effect by 1 July 2023 and possibly earlier[v]. The boost is twice as large as the funding boost in the Coalition's 2018 reforms and will leave 97% of families better off – a typical family on an income of \$120,000 would be around \$25 a day better off, effectively making an extra day of care 'free'.

The subsidy change is predicted to have an immediate effect on the workforce as over 40% of young working mothers work part time and could be encouraged to increase their hours[vi].

The Grattan Institute estimates Labor's policy would result in an 8 per cent increase in hours worked by second-income earners with young children, or around 220,000 extra days per week[vii]. The KPMG modelling came up with a similar, slightly lower forecast[viii].





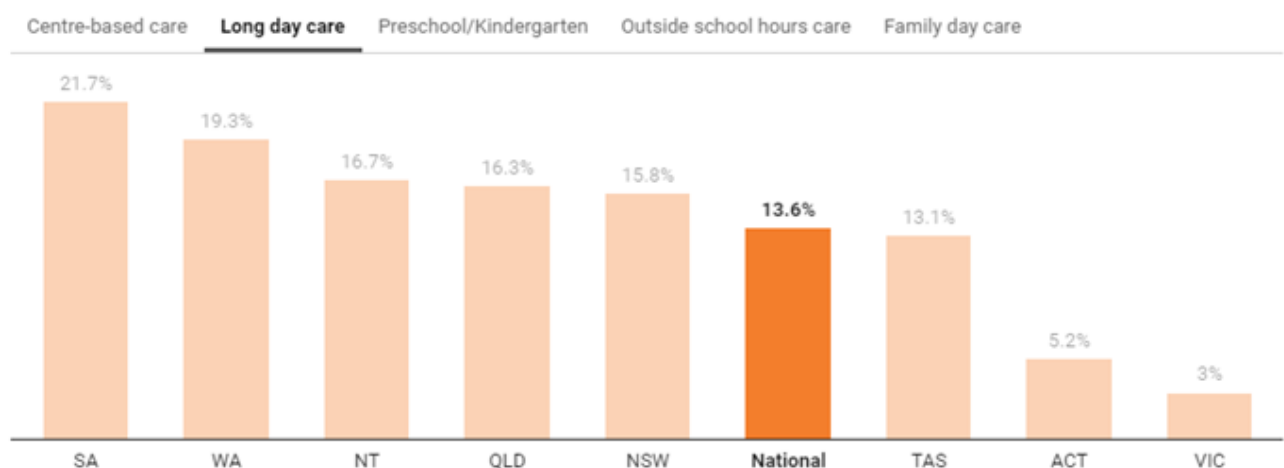
2. THE ISSUES

- UNLOCKING THE WORKFORCE -

If the Grattan Institute's estimates are correct, to accommodate the 220,000 additional days of work, the childcare sector will need to accommodate 2.2 million additional hours of care. That will require 48,000 additional days of educator time, the equivalent of 9,650 additional full-time educators.

This will require urgent action at a Federal and State level to slow record attrition rates from the sector's workforce, increase in the pipeline of new entrants and fast track immigration.

W6: Proportion of services with a staffing waiver by jurisdiction and service sub-type*



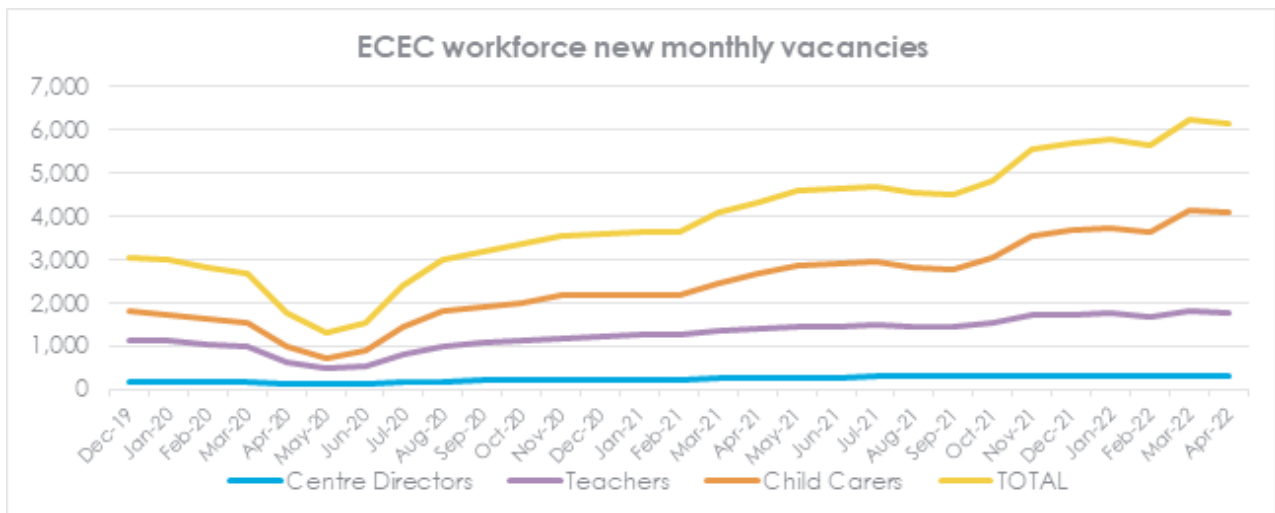
*Centre-based care is made up of long day care, preschool/kindergarten and outside school hours care services.

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2. THE ISSUES

- JOB VACANCIES ARE UP -

Nationally, vacancies for early childhood teachers and educators are currently running at twice pre-pandemic levels[ix].



In WA, new vacancies for educators are averaging 400 a month in early 2022, more than double the 180 vacancies a month of pre-pandemic 2019. Vacancies for early childhood teachers have doubled from around 70 a month in 2019 to 145 in 2022.

In March 2022, 18.6% of WA long day care centres had a staffing waiver for non-compliances with the staffing requirements of the National Quality Framework, up from 12.7% during 2019. By contrast, just 2.5% of Victorian centres have staffing waivers.

“The early childhood education and care workforce is currently in crisis following the former national government’s failure for five years to plan for it”

Andrew Scott,
Convener of the
Australia Institute’s
Nordic Policy Centre
July 2022

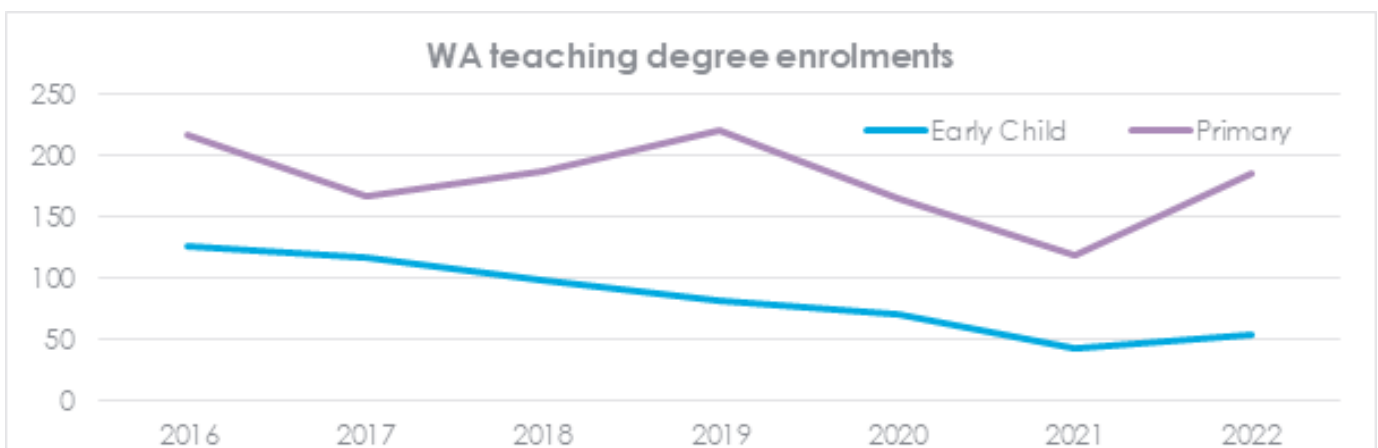
2. THE ISSUES

- THE PIPELINE OF NEW EDUCATORS & TEACHERS IS SLOWING -

Completion in Certificate III courses have flatlined and completions in Diploma and Bachelor courses have fallen sharply over the last four years. The two-year freeze on immigration has also impacted on the pipeline of new educators and teachers.

Year	ECEC Cert III Completions ³	ECEC Diploma Completions ²	Early childhood teaching degree completions ⁴
2015	NA	NA	2620
2016	15,700	15,755	2380
2017	15,575	14,230	2220
2018	15,735	14,000	2288
2019	15,650	12,900	2144
2020	11,880	9,890	2051

The Tertiary Institutes Service Centres (TISC) data on new university enrolments show that enrolments in early childhood teaching degrees in Western Australia have more than halved in the last five years from 116 (2017) to just 53 (2022).



3. WHATS HAPPENING AROUND THE NATION?

- GOVERNMENT -

Last year, Federal and State Education Ministers jointly committed to a ten-year National Early Childhood Education & Care Workforce Strategy. This strategy 'Shaping our Future', aims to encourage a sustainable and high-quality workforce of early childhood teachers and educators. Implementation Plans for the strategy are currently being developed by Federal and State Governments. While welcome, the strategy does not recognise the urgency of the crisis faced by the sector.

Key themes in the strategy include:

- Investigating options to improve workforce pay and conditions;
- Measures to support the growth registration and support for the early childhood workforce;
- Targeted measures to support study and placements for potential educators and teachers and promote careers in the sector;
- Improved access to professional development, networking and wellbeing resources;
- Enhanced data collection and evaluation.

Workforce measures:

- \$365.3 million to extend the Boosting Apprenticeship Commencements and Completing Apprenticeship Commencements wage subsidies by 3 months to 30 June 2022, to further support employers taking on and retaining new apprentices;
- \$954.0 million over 5 years from 2021-22 to introduce a new Australian Apprenticeships Incentive System from 1 July 2022, providing support to employers and apprentices in priority occupations.

Community Childcare Fund (CCCF) measures:

- \$19.4 million over 5 years from 2021-22 to establish a new open grant round of the Community Child Care Fund to support the establishment of new EC services in rural, remote and regional areas where there is limited supply of current EC services;
- \$22.1 million over 2 years from 2021-22 to increase the Community Child Care Fund, Special Circumstances grant to assist services experiencing financial viability issues resulting from the recent floods and the COVID-19 pandemic.

Attraction and Retention Packages for Regional Workers program (now closed):

- Funding up to \$25,000 per Local government towards retaining early childhood education and care workers in regional WA. Towards activities such as: subsidised accommodation, training and support for educators to complete their practicums.



3. WHATS HAPPENING AROUND THE NATION

- LOCALLY IN WA -

Various Early Childhood Education & Care organisations have been trialing smaller scale solutions, partnering with industries such as Mining. For example, within the organisations submitting this proposal some of the initiatives currently in operation are:

- Above award rates, generally around 5% or higher;
- Improved annual leave entitlements (e.g. an extra weeks leave, ability to purchase leave);
- Professional development support;
- Study scholarships;
- 'Learning and Care' discounts for educators' children to attend the centre (up to 50% reductions);
- Salary packaging;
- Housing packages (mainly discounted housing in remote regional areas through partners);
- Relocation packages (as and when funding is available);
- Wellness packages, including access to counselling services, gym memberships;
- Reduced or peppercorn rent on buildings to operate services from;
- Flight and accommodation costs covered for metropolitan based staff to work regionally for short periods.
- Sign-off bonuses
- Referral bonuses

Partners include:

- BHP;
- Rio Tinto;
- Woodside;
- Northern Star Resources;
- Several regional Shires: such as Perenjori, Dalwallinu, Hyden, Port Hedland, Mount Barker, Katanning;
- Education Department and CEWA (OSHC partnerships).

4. THE GAP - SOLUTIONS FOR IMPACT

The current solutions are providing small wins for the individual EC service organisations and industry partners, however it is barely addressing the ‘tip of the EC Sector crisis iceberg’. Collectively the group believes a stronger commitment to the below, greater government coordination and intervention would greatly improve outcomes, including within regional and remote regional WA.

1. Attracting West Australian EC educators and teachers

- Pay, housing and relocation incentives similar to the Victorian Government[iii];
- Provide more affordable housing suitable for group singles and families in the regions;
- Explore benefits from expanding current programs with professional development support and education scholarships such as Child Australia’s workforce development project Thriving Futures (funded by BHP);
- Maintain fee-free VET courses beyond the end of the Job Trainer program;
- Fee reductions or incentives for Bachelor Early Childhood Education students;
- A united attraction and retention campaign from the sector, government and partners targeting the value and image of educators, the importance of the role, and pathways within the EC sector.

2. Attracting qualified International EC educators and teachers

- Simplify migration and sponsorship processes for Centres and applicants;
- Apply en masse approach – create a regional pool, perhaps rotating locations like Police every 3yrs;
- Secure appropriate visas and housing for those currently living in Australian and willing to relocate to the regions;
- Provide more affordable suitable housing to suit needs;
- Explore benefits from expanding current programs with professional development support and education scholarships;
- Other skilled migrant options include:
 - Include Early Learning Teacher & Senior Educator to the priority migration skilled occupations list;
 - Removal of working hour caps for students (on student visa’s) in the Early Learning Sector (similar to the hospitality sector), which would immediately increase labour availability for some workers;
 - Decrease requirements for qualifications for Senior Educators for sponsorship e.g. Recognition of 2 years of work in the sector in a previous sector-related role not just in the nominated role;
 - Prioritised visa processing for Childcare / Early Learning Sector – including DAMA applications, visa transfers, with reduced fees;
 - ACECQA to recognise and acknowledge Teacher degrees as qualified 4 yr ECTs particularly initially from the UK, Ireland and possibly South Africa;
 - Develop a concerted campaign to recruit teachers particularly from the UK and Ireland.

4. THE GAP - SOLUTIONS FOR IMPACT

3. Retain workers

- Explore benefits from expanding current programs with professional development support and education scholarships such as Thriving Futures (a Child Australia and BHP initiative working with YMCA WA and 3 other EC services in the Pilbara);
- Explore the cost-benefits of introducing long-service leave, instead of / or in conjunction with 5 weeks leave, including pro-rata use at a mid-point;
- Offer a pause or complete waiving of HECS debt for early childhood teaching students and graduates working in EC Sector.
- Other options that would be of benefit to the sector are:
 - Teachers in long day care preschool programs to be paid \$5000 if they work for their employer for the full 40 weeks of the 2021 school year in 2021 (pro-rata for part time employees).
 - Early Childhood Workforce Innovation & Recovery Fund. Establish a Fund to support centres to support educators as centres manage the worst of the COVID crisis, and recover, rebuild and innovate as they come out of it.
 - Wellbeing strategies and support to counter stress in the short-term

4. Infrastructure incentives similar to the Victorian Government[iii]

- State, Federal, industry partnerships to extend and/or build new Centres in the regions based on waitlist needs.

5. Improved centralisation, coordination, responsibilities and accountabilities lead by government partnered by the EC sector and industry partners

- The service providers in the EC sector are ready and willing to collaborate with government to tackle the areas such as immigration, education and housing;
- The organisations in this submission make a collective commitment to actively contribute to solutions alongside government immediately, and they bring their respective corporate industry funding partnerships to the table
- Jobs & Skills WA include the EC sector in their future reports.



5. FINAL COMMENTS

The EC sector is in crisis

Service providers such as the partner organisations in this submission have trialled a number of strategies to the size and scope possible with current industry partners and available funding.

These efforts are not easing the conditions, in fact conditions are worsening at a faster rate than the industry has ever seen. The staff attrition, COVID impacts, low intake of new students, current immigration processes, the increasing waitlists, and the stress and burnout of the sector are creating a toxic environment impacting recovery efforts.

We understand all industries are facing skill and labour shortages and that these shortages are expected to linger for years to come, but it is the EC sector that is a core enabler supporting all industries to maximise their recruitment potential and subsequently their industry's capacity to contribute to the state and national economies.

The importance of the EC sector has been recognised nationally and locally through the Federal Treasurer, Hon. Dr. Jim Chalmers MP. Minister for Early Childhood Education, Hon. Dr Anne Aly MP, and by the Hon. Simone McGurk MLA, however further attention and priority is required in WA. Having the EC sector workforce prioritised in the upcoming Skills Summit is a first step.

The second proactive step would involve moving beyond recognition to a centralised government department responsible and accountable for tackling the worsening conditions facing the EC sector. This cannot be relegated to a regulatory body and needs the attention of an independent department within Government.

And finally, step three would be to address the following needs urgently:

- Simplified immigration processes;
- Improved education incentives from Certificate III to Diploma, and incentives to progress toward Bachelor Early Childhood Education
- Improved attraction and retention incentives, particularly housing in regional areas

The sector leaders involved in this submission are ready and willing to work alongside government, to bring industry and other partners together to improve the state's Education and Care workforce. We understand that the issues are complex, but we know that our collaborative efforts can have genuine impact toward unlocking workforce broadly. Most importantly we can do all of this while nurturing improved social and health outcomes for the children, parents, and professionals, across all communities throughout WA.



6. REFERENCES

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ECEC Workforce New Monthly Vacancies Table:

[1] National Skills Commission monthly vacancies index <https://labourmarketinsights.gov.au/our-research/internet-vacancy-index/>

ECEC Education Completions Table:

[2] ACECA NQF Snapshot, <https://www.acecqa.gov.au/nqf/snapshots>

[4] Source: NCVER, 2021, <https://www.ncver.edu.au/research-and-statistics/data/databuilder> accessed 6/4/22

[5] DESE Higher Education statistics, <https://www.dese.gov.au/higher-education-statistics>

CONTRIBUTORS:

