



Email: migrationreform.taskforce@homeaffairs.gov.au

To the Taskforce,

Goodstart submission on a Migration System for Australia's Future

Thank you for the opportunity to contribute to the development a migration system that will support Australia's interests and enhance productivity.

Goodstart is Australia's largest provider of early learning and care (ECEC also known as childcare and long day care) and Australia's largest non-government provider of preschool and kindergarten programs.¹ We provide high quality early learning in every state and territory to more than 67,000 children across 664 early learning centres. Around one third of our centres are in rural and regional areas and around one quarter are in low socio-economic areas.

As one of Australia's largest not-for-profit social enterprises with 15,639 employees, including 2,000 teachers we are uniquely placed to provide advice to this review on long term strategy considerations as well as advising on steps that could be taken more immediately. Our responses to the review questions follow:

1. What challenges and opportunities does Australia face in the coming decades?

Access to early learning and care is vital to supporting Australia's productivity by allowing parents and especially mums to return to work but we are experiencing an unprecedented workforce crisis. Vacancies across our sector are running at twice pre-pandemic rates (7000 in August 2022 vs 3000 in December 2019). Educator turnover rates have risen sharply and are continuing to rise across the sector. Centres under workforce pressure put more pressure on existing staff, who then become liable to burn out and leave. Collectively these data point to an essential workforce that needs immediate support to ensure we have the workforce necessary to support Australian families.

At the same time, Labor's \$4.5 billion plan for Cheaper Childcare is set to take effect by 1 July 2023. We strongly support this investment and note that Treasury has estimated that the reform could generate up to 185,000 additional days worked per week by 2025. As over 60% of working parents with young children work part-time, this impact could be very rapid as part time workers opt for extra days and employers are keen to increase productivity.

National Skills Commission data suggests the ECEC sector will need 21,900 net additional educators by 2026 (3,400 childcare managers; 10,600 early childhood teachers; and 7,900 childcare workers). These numbers are likely to be an underestimate when considering the significant impact of early childhood reforms at both state and federal levels.²

¹ The terms preschool and kindergarten are used interchangeably across Australia to refer to the education programs delivered in the two years before school. In a long-day care context, such as Goodstart, preschool and kindergarten are embedded within our services.

² <https://labourmarketinsights.gov.au/>

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2. How can migration contribute to these challenges and opportunities?

The current pipeline is clearly inadequate to meet the coming demand. Cert III commencements have flatlined, Diploma commencements have fallen sharply, and delays in processing visa applications are slowing the flow of migrant workers. This will significantly constrain the Government's ability to deliver on both its early childhood and economic aspirations.

And while all governments have committed to a comprehensive ECEC workforce strategy, skilled migration will be an essential part of the solution to the current workforce crisis in the short and long term. In the last 12 months we have more than doubled the size of our migration program across most visa's. However, the existing system is complex to navigate and has several gaps – particularly for educators based in metropolitan areas who currently have no pathway to permanent residency. We have many bridging visa's that are waiting to be processed through the Department with processing times upwards of 4 months.

As a large organisation, Goodstart has more capacity than most ECEC providers to negotiate the complexities of Australia's existing skilled migration system. However, even against the backdrop of extreme worker shortages, skilled migrants represent less than 4% of Goodstart's total workforce. Across the sector, the proportion is more like 0.4% suggesting a very high degree of under-utilisation.³ Increasing this to 5% or more is one of the fastest ways we could fill vacant educator roles across our sector and better support Australian families and employers.

While we welcome the Government's commitment to structural reform and to the development of a migration strategy, urgent reform is needed for the ECEC workforce now (Question 4). We therefore submit the following recommendations to the Panel for consideration as part of the current review:

RECOMMENDATIONS

Improving pathways for early childhood workers (Questions 3 & 4)

- 1. Create a pathway to permanent residency for all Childcare workers (421111), including those in metropolitan areas.** Currently pathways to permanent residency are only available for regional applicants, and this is no longer appropriate with childcare worker shortages across the entire country (see case study at **Attachment 1**).
- 2. Change the Senior Educator (421111) post qualification experience requirements.** Currently three years' experience post-diploma completion is required for nomination under this role type, which does not recognise prior years of experience as a Cert III Educator. While we support the requirement for three years' experience, recognition of work as a Cert III educator should be allowed to make up these requirements.

³ Source – Early Learning and Care Council of Australia

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- 3. Change the Early Childhood Teacher (241111) post qualification requirements.** Currently two years' experience as an ECT post bachelor completion is required for nomination under this role type, which does not recognise prior experience as a Cert III or diploma qualified educator/senior educator. While we support the requirement for two years' experience, recognition of work as a Cert III or diploma qualified educator/senior educator should be allowed to make up these requirements.

Improving visa options for early childhood workers (in response to Questions 3 & 4)

- 4. Include the ECEC sector (421111) in the occupation list for 403 Temporary Work (International Relations) Visas - Pacific Australia Labour Mobility stream.** Including ECEC in this stream would allow access to Pacific Island workers who are able to undertake study in Australia for a Cert III on Early learning with employer provided support. It would also closely support to the Pacific Island's sustainable development goals particularly relating to gender equity in education and increasing the number of women in paid employment.⁴
- 5. Allow a second year of work for Working Holiday (417) Visa holders.** Currently ECEC workers on a working holiday Visa are not able to seek a second year 417 Visa as ECEC is not on the 'specified subclass 417 work'. Including ECEC/ childcare workers as a 'specified subclass 417 work' would enable a second year of working holiday visa.
- 6. Remove the 40hrs work per fortnight restriction on Student (500) Visas** – like the relaxation that was introduced for hospitality and tourism sectors as part of a shortlist of critical sectors during COVID, ECEC should be designated a critical sector and the 40-hour work restriction should be relaxed for at least the next 5 years or until ECEC vacancies stabilise. Reintroducing the cap after June 2023, as planned, will be detrimental to our sector.

It should further be noted that the ECEC sector has significant experience in supporting students to obtain quality Australian qualifications while balancing more than 20hrs work each week as we have become increasingly professionalised under the National Quality Framework introduced in 2012.

Raising the Temporary Skilled Migration Income Threshold (TSMIT) may have unintended consequences (in response to Question 4)

- 7. Consideration must be given to the impacts on the ECEC and caring sector more broadly when reviewing the TSMIT.** The TSMIT is currently set at \$53,900 to sponsor a worker. The average wage for an educator at Goodstart, which is above award, is \$51,850 to \$55,250.

While low wages are a major cause of the current ECEC workforce crisis and Goodstart will continue to actively campaign for an increase in educator wages, an increase to the TSMIT

⁴ <https://www.forumsec.org/sustainable-development/#reporting-of-sdgs-in-the-pacific>

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could effectively rule out skilled visa workers for all ECEC providers, and potentially other caring sectors unless Government agrees to fund a wage increase for ECEC workers at the same time.

To demonstrate the impact this could have across the sector, our regional Centre in Roma, Queensland is 90% dependant on skilled visa workers due to the localised employment market, including highly competitive local industries and alternative sources of work. Without skilled visa workers, we would not be able to staff this centre and offer early learning and care opportunities to the local community, including providing services to many children experiencing vulnerabilities. As an indicator of the enrichment that hiring international talent has brought into this region, Goodstart Roma was recognised and awarded the Goodstart Queensland Team of the Year in 2022.

We commend the Government for thinking long term about migration and the role it can play in a multi-dimensional strategy to ensuring we have a strong early childhood education and care workforce. Thank you for taking the time to consider our evidence and recommendations.

If you would like to discuss any aspect of our submission further or for approval to publish or quote this submission, please contact Kate Gilvear, National Social Policy Manager, at kgilvear@goodstart.org.au.

Kind regards,

Yours sincerely,

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Attachment 1

CASE STUDY – The Crescent Early Learning Centre, Annandale

The following case study demonstrates the urgent need for pathways to permanent residency for early childhood educators employed in our metropolitan centres, and the constraints that the absence of these pathways imposes on our workforce, on working parents and the Government's early childhood and productivity agendas.

About our Centre

- The Crescent Early Learning Centre is based in Annandale where the cost of living is too high for most educators to live. This, and the unreliable public transport which has persisted for many years now, has resulted in educators, especially those with families, having to move to centres closer to home. We currently have only 13 out of 21 educator positions filled. This is simply due to relocation, visa restrictions and educators moving to centres closer to home.
- As there is a shortage of educators, we are often unable to fill positions with casuals as they are also able to get work closer to home, so we regularly need to reduce the attendance of children. This has considerable impacts on working parents who are then unable to attend work or take on additional days of work when they are offered.
- Despite our workforce challenges, we are a highly sought-after centre with a significant waitlist, and we are unable to fill the centre due to the lack of staff. Consistent with guidance from the Commonwealth Department of Education Skills and Employment, our centre prioritises the inclusion of vulnerable children. Again, the flow on impact of this commitment is that working parents are often impacted when we must reduce attendances due to our staffing challenges.

How a pathway to permanent educators would help our centre

- Megan holds a diploma qualification and has been working in Early Education for 12 years. For just over 7 years, Megan has been living in Australia and is passionate about working in the ECEC sector because it provides the opportunity to help shape the lives of young children and their families.
- Megan is currently on a COVID visa which expires in November 2023. Without a pathway to permanent residency, Megan has no options available to stay and contribute to our centre.
- Megan is passionate and committed to working with Goodstart as we provide great opportunities for children to learn in a play-based environment, with quality teaching and resources. Goodstart provides quality training for staff, and ongoing learning opportunities to upskill and keep knowledge relevant and up to date.
- Megan has established an excellent, trusted relationship with families at the centre who feel so much more at ease when their children are in her care, and it will be a loss our centre and our community if she must leave Australia.

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