

Jobs and Skills Australia ECEC Workforce Capability Study

Goodstart Submission

January 2024

We're for children, not profit.



ABOUT GOODSTART

Goodstart is a not-for-profit social enterprise and Australia's largest provider of early childhood education and care (ECEC). We have 660 centres located across every state and territory, educating 63,600 children from 53,700 families, employ over 15,000 Australians and have a turnover of over \$1.3 billion a year.

Our purpose is to ensure all Australia's children have the learning, development and wellbeing outcomes they need for school and life. All children should be supported to participate in quality early learning and care, regardless of where they live in Australia, their family circumstances, their inclusion support needs, or their early learning setting. Our unique purpose and structure as a social enterprise means we work in partnership with the sector, Governments and the community to improve outcomes for all children – not just the children who attend a Goodstart service.

In FY2023, our targeted social purpose investments of \$47 million delivered a “social dividend” valued at \$336 million. Our social dividend is calculated using a social return on investment methodology and represents the unique social and economic value delivered for children, families, Government and the broader community.

The last three years have been extremely challenging for Goodstart and indeed for the entire ECEC sector. In FY2022-23, Goodstart recorded a loss of \$85.3 million on a revenue of \$1.3 billion, following a \$65.7 million loss in 2022.¹ By contrast, the largest privately owned ECEC provider G8 Education made a profit (CY23) of \$36.8m on a \$905 million revenue, and a profit of \$45.7 million in CY22.²

ECEC has been recognised by Governments as an essential service, and the dedicated professionals who deliver ECEC deserve to be recognised as part of the education system. Yet, as the ACCC and the PC have recently acknowledged, workforce shortages are impacting right across the sector, reducing supply and increasing costs.

In a period of unprecedented focus on ECEC Goodstart has made several recommendations to Governments and to various inquiry processes about the need for more proactive workforce policies to address these challenges, backed by substantial investments to improve wages and conditions, rebuild pipelines of new educators and build the capability of the workforce through access to more professional development.

We welcome this ECEC Capacity Study as a key input into this reform process and look forward to working with Governments to improve pay, conditions and the recognition of the ECEC so all children in Australia can benefit from access to high quality early learning.

¹ Goodstart 2023 Annual Report

² G8 Education 2022 Annual Report

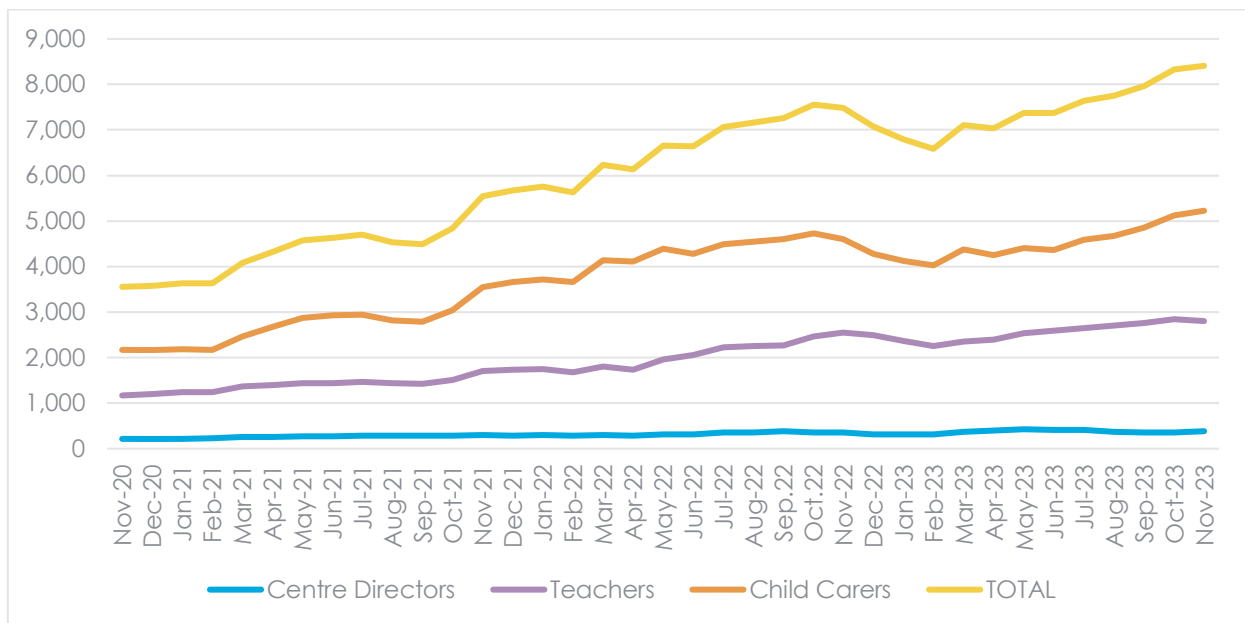
1. OVERVIEW & CURRENT STATE

The ECEC Capacity Study seeks to establish an overview of, and analyse, the current state of the ECEC sector workforce. Guiding questions that support the development of this overview include:

- 1) What are the challenges and opportunities facing the ECEC workforce? How do different ECEC service delivery types (e.g. centre based care, family day care, preschool) impact workforce challenges and opportunities?
- 2) Are there differences between workforce requirements or demand (for example, employer needs) and supply (for example, jobseeker availability and skills)?
- 3) How well is the current system responding to workforce challenges?
- 4) What factors are driving or deterring workforce attraction, retention, and career progression in the ECEC sector? What factors are driving attrition?
- 5) How do current governance and regulatory settings impact the ECEC workforce?
- 6) Have we missed any occupations from the proposed list (Appendix B), or should any occupations be omitted from the scope of the capacity study and why?

The workforce crisis is impacting right across the early childhood (ECEC) sector. Many providers are struggling to meet demand for places from parents because they cannot find enough qualified educators to care for children. Jobs and Skills Australia's monthly vacancies index shows that vacancies for educators & teachers are at twice what they were three years ago (see TABLE 1). Attrition rates have risen, with educators dissatisfied with the sector's historically low wages, their professionalism under-recognised and feeling burnout as centres struggle with staff shortages.³

TABLE 1: MONTHLY VACANCIES IN ECEC REPORTED BY JOBS & SKILLS AUSTRALIA



The pipeline of new teachers and educators into the sector is also constrained, both by a two-year migration pause and a decline in commencements in VET & university ECEC courses:

³ <https://www.thefrontproject.org.au/teachers-and-educators-survey>; <https://www.hesta.com.au/ECECreport21>

TABLE 2: Enrolments & completions of VET and university courses in early childhood

Year	ECEC Certificate III		ECEC Diploma		ECT Bachelor	
	Commence-ments	Completions	Commence-ments	Completions	Commence-ments	Completions
2016	n.a.	15,700	n.a.	15,755	4,578	2,380
2017	33,595	15,605	28,490	14,055	4,226	2,220
2018	32,645	15,730	19,845	13,570	3,556	2,288
2019	38,055	15,700	26,005	12,625	3,541	2,144
2020	32,675	12,300	21,590	9,990	4,288	2,051
2021	37,280	15,735	21,935	13,865	5,540	2,145
2022	47,780	17,610	13,905	18,050	4,473	n.a.

Source: NCVET, Total VET Students and Courses, (DataBuilder); DESE Higher Education Statistics Special Courses data

Across the sector, Centres are struggling to attract and retain sufficient qualified educators to meet regulatory standards, with staffing waivers doubling over the last three years. Nationally, hundreds of centres have been forced to cap enrolments as they can't find enough staff, leaving parents wanting places stuck on waiting lists. Each unfilled educator role in a long day care centre can impact up to 15 families each week unable to access a place for their child.

Without a more stable workforce, many centres will continue to struggle to find places for the families wanting more days, or wanting to commence ECEC. A sector survey in May 2023 found up to 50% of centres were capping enrolment places, with around 11,000 places withheld from families.⁴ The ACCC Interim Report on ECEC in September found that staff shortages are having a material impact on the supply and cost of ECEC, and on the viability and quality of ECEC services.⁵ The Productivity Commission's Draft report also found that workforce challenges constrain the availability of ECEC (p 21, 34, 186-195). It found that structural and cyclical economic factors are contributing to demand and supply for educators, exacerbated by low wages (p 22-3), and that higher wages and better conditions are likely to improve attraction and retention (p 35). It was also identified that Government will need to do more to improve career pathways, training pathways and supports (p 35).

Low wages are a structural issue for ECEC that reflects the underlying funding to the sector that requires increasing in fees charged to families to fund any improvement in workforce pay. Experienced educators and teachers earn up to 30% less than comparable roles in schools which do not experience the same structural challenges (see TABLE 4).

TABLE 3 Educator & teacher wages in long day care centres & public schools, Jan 2024

Classification	Award rate (p.a.)	NSW Educ. Dept rate ³	VIC Educ. Dept rate ⁴	QLD Educ. Dept rate ⁵
Educator Cert III commencement ¹	\$49,095	\$65,406	\$55,239	\$54,761
Educator Cert III maximum rate ¹	\$52,384	\$76,689	\$70,742	\$71,172
Teacher graduate ²	\$70,157	\$85,000	\$78,020	\$81,630
Teacher proficient ²	\$76,686	\$95,317	\$83,021 ⁶	\$93,914 ⁶
Teacher maximum rate ²	\$90,283	\$122,100	\$115,737	\$113,330

¹ Children's Services Award 1/7/2023, NSW Education Paraprofessional (Cert III qualified), Victorian Education Support Officer Level 1 Range 2; ²Educational Services (Teachers) Award as determined from 1/1/2022 following 2021 work value case; ³School Learning Support Officer as at 15/7/2022; ⁴1/1/2023 Victorian Government Schools Agreement 2022; ⁵Teacher rates 1/7/2022, teacher aide rates 1/9/2023. ⁶Third paypoint assuming 2 years of service to reach proficient.

The sector is heavily award reliant, with the 2021 Workforce Census showing 63% of educators are paid award rates. NFP providers are more likely to pay educators above award, typically through

⁴ Australian Child Care Alliance Enrolments Survey Report November 2023 <https://childcarealliance.org.au/media-publications/aca-media-releases>

⁵ ACCC Interim report on ECEC September 2023 p. 22, 33, 149

an Enterprise Agreement. Around 20% of long day care services and 67% of preschool services are currently covered by Enterprise Agreements, the vast bulk of these are NFP providers.

TABLE 4: Most educators are paid basic award rates

	Centre Based Day Care (CBDC)*	Family Day Care (FDC)	Outside School Hours Care (OSHC)*
Award	62.9%	17.7%	78.6%
0-10% above	28.1%	4.0%	14.7%
10-25% above	6.5%	1.5%	5.7%
25%+ above	2.4%	2.4%	1.0%
Don't know	9.2%	74.6%	12.3%

(*'don't know' responses eliminated from the total)

At Goodstart, our educators experience wage rates at least 5% above award rates, but these rates are not necessarily competitive with other sectors (both within education and other unrelated industries) offering higher wages. Our exit surveys show that most educators who leave Goodstart do not stay in the ECEC sector, with low pay, lack of professional recognition and burnout cited as key reasons for leaving. Educator attrition rates are substantially higher than they were pre-COVID, although the ACCC found that attrition rates for large NFP employers like Goodstart were around 20% lower than for large private providers.

Supply of educators also may not meet the geographic areas of demand, with travel costs becoming a significant issue for educators considering new roles. Many educators live in lower income outer suburbs, which can make it difficult to find educators willing to work in inner city suburbs due to higher travel times and costs. Some regional cities have a high demand for educators but little supply locally (e.g. Dubbo, Albury and Wagga Wagga).

The public and community preschool sectors generally offer better wages and conditions than the long day care sector, including up to 12 week non-term time. The growth of 'free preschool' provision in states like NSW, VIC and QLD and the well-funded public preschool system in WA, SA, TAS, NT and the ACT makes it very difficult for long day care providers to compete for staff with preschools. This is particularly the case for early childhood teachers – ACECQA data shows that in September 2023, 17.4% of long day care centres were operating with a staffing waiver, usually because they cannot find an Early Childhood Teacher. This proportion rose to 24% in QLD, 26% in WA and 18.5% in NSW. By contrast, just 2.7% of stand-alone preschools required a waiver.⁶

TABLE 5: % of long day care centres with a staffing waiver by quarter (ACECQA NQS Snapshot)

	Q3 2023	Q3 2022	Q3 2021	Q3 2020	Q3 2019
Long day care	17.4%	16.2%	12.9%	12.0%	8.4%
Preschools	2.8%	2.8%	2.3%	3.2%	2.7%
OSHC	1.9%	2.0%	1.7%	1.1%	0.7%
Family Day Care	0.9%	0.4%	0.8%	3.4%	0.4%

(Source: ACECQA NQS Snapshot September 2023)

ECEC services struggle to compete with schools, which benefit from full Government funding via the School Resourcing Standard for state schools, and generous funding and parent fees for Independent and Catholic schools. This means school systems can offer higher wages, more leave, more non-contact time, better professional recognition, and better professional development and support opportunities. The funding arrangements for ECEC simply do not support ECEC services to match these wages and conditions.

Yet, there is much to commend careers in ECEC. If wages and conditions were comparable, many teachers and educators might be persuaded that early childhood education is a powerful career choice, as teachers can see the real impact that they have on children day to day, and have greater professional autonomy in relation to pedagogy, curriculum and assessment compared to

⁶ ACECQA NQS Snapshot September 2023

school settings. ECEC services can also offer more flexible work arrangements, with different starting and finishing times, with CBDC operating 52 weeks per year. Providers almost certainly need to do more to respond to employee needs for flexibility, while still ensuring regulated rostering requirements are met.

Demand for educators at differing levels of experience and qualification is more varied. The last two years have seen a significant increase in people willing to enrol as trainees and VET students, but completion rates for traineeships remain too low to meet the demand for qualified educators. By contrast, it has become more difficult to attract more experienced educators, and Diploma-qualified Senior Educators. The gap between what educators and teachers are paid in ECEC and in schools widens with experience. Since COVID, migration offered an opportunity to fill this gap by bringing more experienced educators into the country. However, recent changes to migration policy and the raising of the Temporary Skilled Migration Income Threshold (TSMIT) has all but closed off migration for educator and senior educator positions.

In terms of how well the current system is responding to workforce challenges, Goodstart notes that:

- Federal/State investments to make VET courses in ECEC free and to promote traineeships have supported an increase in VET commencements over the last two years, although VET commencements in 2022 were still below pre-COVID (2019) levels;
- Governments such as Victoria and, more recently, NSW, QLD and the Commonwealth, have been more willing to fund qualifications pathways initiatives such as scholarships for educators to upgrade to Bachelor qualifications, or to access professional development;
- The Federal Government has engaged with the supported bargaining process for long day care workers, which will (hopefully) see a funded wage rise for educators secured in enterprise agreements (both multi-employer and single employer);
- The Commonwealth and State/Territory Government have developed a National ECEC Workforce Strategy with 'actions' being considered by all Governments;
- The Commonwealth in 2022 adjusted Child Care Subsidy arrangements to allow providers to offer more generous child care discounts to their staff. Other changes to Child Care Subsidies, such as allowing providers to claim CCS when centres are closed for team professional development days, could make a big difference to making the ECEC sector more attractive;
- Some states have expanded preschool funding to better support the employment of early childhood teachers in long day care and preschool settings. For example, Queensland and Victoria now offer additional subsidies for teachers willing to work in outer regional and remote areas. Victoria's extension of full preschool funding to cover 3 year olds has supported providers to offer better packages for teachers in the two years before school.

The Productivity Commission report acknowledges that migration is an important part of the ECEC workforce (b 258-254) – 31% of CBDC workers and 50% of FDC workers in 2021 were born overseas, 75% of whom were permanent migrants. Excluding temporary migrants with unlimited work rights (e.g. NZ citizens), 42% of other temporary migrants were on skilled visas and 27% on student visas. Many of these educators will not be able to renew their current visa when it expires because of recent changes to migration policy such as the higher TSMIT. This could see the sector lose thousands of experienced educators in coming years as these migrants are forced to return home. Despite this looming crisis, in its Draft Report the Commission 'does not consider it appropriate to recommend any general exemptions or alternations specifically for the ECEC sector' (p 252), although it did acknowledge that an industry migration plan could be a pathway (p 253-4). Goodstart, and others in the sector will be urging the Commission to formally recommend the development of an industry migration plan in its final report, which, like the Aged Care industry Migration Plan, could set rules appropriate to ECEC (such as a TSMIT aligned to the award rates for Level 3 and 4 educators). Goodstart would encourage the Capacity Study to collect detailed data on the potential impact of the TSMIT and other policy changes on the current and future ECEC workforce.

Consultation question (6) asks if other occupations should be added to the proposed list in Appendix B.

- Goodstart suggests that Senior Educators (i.e. Diploma qualified room leaders) should be considered separately from Educators (Certificate III). Diploma qualified Senior Educators are currently a more challenging category to attract and retain.
- The category of Centre Cooks should also be considered separately, as this category is in high demand and current has the highest attrition rate of any centre-based category. Given the importance of nutrition in child development, and the significant consequences of not meeting food safety protocols with large numbers of children with special dietary needs, Cooks are a crucial part of the ECEC workforce.

To address the ECEC workforce crisis, Goodstart has proposed the following actions:

1. Government to fund a wage subsidy for educators secured in either a new multi-employer agreement for those not covered by agreements, or by varying existing agreements.⁷
2. Longer term, wages and conditions should be brought up to be comparable with rates payable in the rest of the education sector (i.e. schools) as part of the new policy and funding instruments flowing from the Productivity Commission Inquiry into ECEC.
3. Alongside addressing wages, the pipeline for new educators should be addressed by:
 - a. Free TAFE courses and additional funding for traineeships for educators;
 - b. Expand the pool of early childhood teachers by
 - i. Expanding places in ECT ITE courses at universities supported by scholarships;
 - ii. Developing accelerated pathways for experienced Diploma qualified educators to progress to ECT (Birth-5) qualifications within 12-24 months, supported by funding arrangements and mentoring support to cover up to 80 days of practicum teaching placements.
 - c. Include early childhood teachers and educators on migration priority lists and address unnecessary hurdles and delays on visa applications;
4. Longer term, enhance the professional standing of early childhood teachers and educators with more emphasis on the importance of pedagogy and learning, including:
 - a. Funding for professional development for educators to refresh and re-energise their learning, including adjustments to the CCS to facilitate pupil-free team days;
 - b. Develop pathways to registration for ECTs in all jurisdictions,
 - c. Commonwealth and States to agree funding and timelines for accelerating actions under the National ECEC Workforce Strategy that will strengthen professional recognition and learning,
 - d. Providers to carefully consider the quality of working life for teachers and educators to ensure that they have the time and support they need to teach effectively, freed from unnecessary paperwork and other non-teaching burdens.

⁷ Only about 20% of long day care centres are covered by enterprise agreements, virtually all not for profit services, which offer higher wages than privately owned centres. 1.5% would mirror the interim wage increase granted to aged care workers.

2. FUTURE OF THE WORKFORCE

The ECEC Capacity Study will analyse future demand (at the national, state, and regional level) for ECEC roles over 10 years based on different systemic and population scenarios, alongside the impact on demand for employment in intersecting sectors that the ECEC workforce may come from, or leave to work in. Guiding questions that will help support this analysis include:

- 7) What are the emerging developments and trends in the ECEC sector and how will these impact the future workforce?
- 8) What are the future needs for the ECEC sector and workforce, and what might influence these requirements?
- 9) Are there any specific novel skills and capability requirements emerging in the ECEC sector? How have workforce requirements in ECEC changed over time?

The draft Productivity Commission report has noted that the outlook for future workforce growth is mixed, with an 'uptick' on VET enrolments since 2018 but none for ECTs. ECT courses (and indeed VET courses) also have low completion rate for ECT's, a matter on which the Commission has sought additional information (p 22, 195, draft finding 3.3)

Demand for ECEC is a function of a number of broader social and economic trends:

- The natural population growth rate impacted by the long term decline in the birthrate;
- The continuing rise in maternal workforce participation. While maternal workforce participation has been rising significantly over recent decades, there remains a significant gap between Australia and leading industrial countries (such as Scandinavia);
- The continuing rise in days worked by secondary income earners (and corresponding days required of ECEC). Between 2018 and 2023, average hours of ECEC in centre-based day care rose from 27 to 33 hours per week. Mothers of young children are more likely to work part-time in Australia than in many other OECD countries;
- The continuing decline in informal care, particularly by grandparents, which is also likely to continue as grandparents stay in the workforce longer;
- The continuing shift from sessional preschools to long day care as working families find the constrained hours of sessional preschools don't meet their workforce participation needs;
- Expansion of days of preschool from 15 to 30 hours a week and over the two years before school, as foreshadowed by Governments in NSW and VIC;
- The established a minimum entitlement of 3 days of ECEC for all children, with more days available for those who need it for work, study or training as recommended in the draft report of the Productivity Commission;
- Whether ECEC is opened up to more children currently with limited access to ECEC (e.g. children in families where one or more parent isn't in regular work, study or training or recently arrived migrant families);
- The growing recognition that children with additional needs in ECEC have a right to access early learning and need support of skilled educators and support workers to participate;
- Changes in public perceptions of the importance of ECEC impacting positively on parental preferences and participation rates;
- Decisions by Government to direct investment to expand ECEC provision in 'thin markets' (potentially by funding more not-for-profit provision) where the private sector has traditionally not supplied places, such as rural and remote communities.

Supply of ECEC workers will need to expand to meet this demand and could be impacted by:

- Whether the perception of the sector as 'low wage' is addressed and the sector becomes a more attractive career option for new entrants and to attract back those that have left;
- Whether ECEC is prioritized under national migration policy (eg. in an industry migration plan);
- The future mix of qualifications required in the sector, and whether the qualifications pathways are adequate to meet this;
- Whether the ECEC sector is able to embrace diversity and reflect the communities it is servicing in its workforce;

- Whether the ECEC sector becomes more attractive to men, workers wanting to move from other professions and older workers;
- Whether the sector is able to improve the poor completion rate of both VET and Institute of Teacher Education courses;
- Whether the sector does a better job building career paths that improve retention rates for educators and teachers;
- Whether the sector can deliver the flexibility that workers increasingly demand of employers;
- Whether the supply of early childhood teachers is boosted to be adequate to meet demand for both schools and ECEC settings.

In terms of needs of the workforce, we note that the ECEC workforce, in line with society as a whole, has growing expectations that employers will be mindful of their employees wellbeing, including offering flexible work arrangements.

ECEC is part of the education sector, and ongoing learning and development needs to be part of the workplace culture and offer. Building a 'learning culture' needs to be a crucial part of quality improvement for all ECEC services. Learning and development needs to take multiple forms:

- Access to knowledge resources that can assist in programming and teaching when required;
- Access to formal professional development programs (including paid time off the floor) for more immersive learning;
- On the job learning, supported by professional coaches and mentors;
- Access to enrolment in upgrading qualification and micro-credentials to build new knowledge and specialties;
- Group learning, such as whole team professional learning;
- Networking and support opportunities to share experiences with peers;
- Access to resources that translate new research into practice;
- Access to professional learning and specialists to support children with additional needs;
- Providing feedback and the opportunity for critical reflection against best practice, for example, by participation in evidence based outcome measurement such as Environment Ratings Scales.

Reflecting on novel skills and capability requirements, we note that there have been impacts on skill development in some VET courses as RTOs moved to reduce centre visits. A decline in the basic knowledge of child development and the planning and assessment cycle has also been noticeable in graduates of both VET and Higher Education ECEC courses.

The sector would benefit from more focus on leadership capability skills of centre directors, including a better understanding of what distributed leadership across a centre team should look like. A capability uplift for Educational Leaders is also crucial to drive quality improvement across rooms in centres.

The rising demand for inclusion support for children with additional needs in centres will also require the development of specific inclusion training packages, micro-credentials and possibly higher qualifications over time. Educators working with children with additional needs will also need more time off the floor to plan, research and recharge.

3. PATHWAYS AND QUALIFICATIONS

Pathways and qualifications The ECEC Capacity Study will analyse the potential supply (at the national, state, and regional level) of the ECEC workforce over the next 10 years. Some guiding questions are:

- 10) How does the ECEC sector provide career progression? Do qualification recognition arrangements support the development of the sector?*
- 11) Are the mechanisms for recognising prior learning and experience being used effectively to recognise workers' skills and knowledge?*
- 12) How is the education and training system responding to the need for a skilled ECEC workforce? Where are the opportunities and challenges? Are there enablers and barriers in providing ECEC training (e.g., jurisdictional differences)?*
- 13) What attracts students to ECEC training courses and workers to ECEC roles? What influences job mobility across roles and sectors?*

As part of the education sector, qualifications and skills play a crucial role in career progression in ECEC. The Children's Services Award, for example, provides an automatic pay rise when a Level III educator upgrades from a Certificate III to a Diploma. The Educational Services Teachers Award, common with other teaching awards, historically offered additional increments for 4 and 5 year qualified teachers. However, the revised Award, since 2022, dropped this in favour of an award structure that loosely aligns with teacher professional standards, similar to the approach of the New South Wales state teachers awards.

However, the career progression arrangements in ECEC could be improved. For example, where an educator obtains a Bachelor qualification (but is not appointed in a Teacher role), the award could provide further recognition. The incremental ranges under the award are quite narrow, and additional career recognition could be offered to longer term employees. Additional support and recognition could be offered to employees who develop specialties, such as experts on inclusion. This could also be supported by developing micro-credentials. Commensurate increases in funding via a Government funded wages subsidy as mentioned above will be necessary to ensure increases in pay and conditions are not passed onto families.

The Productivity Commission has identified the need for improvement in the training, recognition, mentoring and registration of early childhood teachers (draft findings 3.2, 3.5, 3.6, recs 3.1, 3.2, 3.3, 3.4). The South Australian Royal Commission made similar findings. Goodstart supports the recommendations to improve teacher education pathways particularly for Diploma qualified educators, noting the additional recommendations in ACECQA's December Child Safety Report.

In a perfect state, the ECEC sector could offer a pathway from High School to a Bachelor qualification while working full time:

- A student could complete their Certificate III either all or in part as a school-based trainee, or commence with a paid traineeship, earning a Certificate III 12-18 months after high school, moving to a Level 3 adult educator wage rate;
- With credit from a Certificate III, they could complete a Diploma on the job within a further 12-18 months, moving to a Level 3-4 Diploma qualified educator rate. This is supported by recent changes to the VET training packages;
- With credit for the Diploma, a scholarship and enrolment in an intensive birth-5 university course, they could complete a Bachelor qualification within a further 18-24 months, moving to a graduate teacher role.

Goodstart has had many educators progress through similar pathways, and is supportive of developing both Government and employer policies that facilitate these pathways. For example, in Queensland currently, the majority of our newly onboarded teachers are upskilled Diploma-qualified educators rather than school leavers completing teaching qualifications. The success of pathways that involve working and studying do require innovative approaches by VET providers and universities. Some are better than others, particularly in the provision of flexible study options and mentoring support for students who are working and studying – especially in a physically and

emotionally labour intensive sector like ECEC. Goodstart's partnership with the Australian Catholic University and ELACCA's partnership with the University of Wollongong are good examples that other universities could follow.

Access to paid scholarships are important for educators to upskill to a Bachelor qualification. To meet the 90 day practicum requirement, educators often have to use annual or unpaid leave entitlements which can be a deterrent due to the financial and personal burden, and is contributing to the low completion rate for early childhood teaching courses. It is possible for universities to provide opportunities for students to complete placements in their own centre and placement swaps within their own organisation, as well as for organisations to provide support to educators who are upskilling. Goodstart supports this across our network through our THRIVE program, we would be pleased to provide further information about this approach on request.

Other practical challenges include that each university has a different level of recognition of prior learning (RPL) and therefore it presents a challenge when this is not clear to potential students as to the recognition that holding a Diploma qualification can provide towards their university degree. Similarly, each VET manages RPL through different means, often this causes confusion and takes time to discuss with potential students. Many students do not understand what RPL involves and some report that studying the qualification was easier than applying for the RPL. The recent initiative by the NSW Government to initiate a streamlined Certificate III RPL package to assist educators in the sector to apply for RPL has offered a consistent approach for RTO's to provide options for students, in the sector looking to upskill their Certificate III for entry into the Diploma qualification.

Early career teachers and educators require more support on induction and in their first year, and this needs greater attention across the sector. Large NFP providers like Goodstart invest in mentoring and wrap around support but are limited in what can be delivered without passing on costs to families. Additional support should be funded by Government. Some States (notably Victoria) also provide some support for mentoring. Consideration could also be given to lowering the teaching load for graduate teachers in their first year as schools often do, to given them more time for programming and preparation.

4. PARTICIPATION & ENGAGEMENT

The ECEC Capacity Study seeks to understand the dynamics of participation and engagement in the ECEC workforce and how these might affect the workforce over the next 10 years. Guiding questions that support this inquiry include:

- 14) *What influences patterns of work in the ECEC sector, e.g. performing multiple roles or working in different services?*
- 15) *What factors influence workforce participation for priority cohorts including First Nations people? What are the enablers and barriers to support the development of a diverse workforce in the sector?*
- 16) *How do wages and working conditions (including location) interact with workforce participation? What factors could be considered?*
- 17) *To what extent do employers/the sector invest in professional development to support workers' career progression, retain workers and improve services?*

An engaged ECEC sector is crucial to the provision of quality ECEC. The ACCC concluded that the success of ECEC services is enormously dependent on the educators and staff in those centres, and the impact that the staff have on the quality and reputation of the service (p 148). Research has consistently found that stability and consistency of educators is strongly related to improved children's learning, development and well-being outcomes, and is especially likely to be important for children experiencing vulnerability.⁸

⁸ https://www.facs.nsw.gov.au/_data/assets/pdf_file/0006/321594/researchnotes_what_quality.pdf; [Early Childhood Education: Equity, Quality and Transitions Report for the G20 Education Working Group](#)

The ACCC report found that the quality of provider is more likely to be assessed as Exceeding and less likely to be assess as Working Towards the National Quality Standard where:

- A higher proportion of staff are employed full time (p. 150);
- Staff turnover was lower (p. 151)
- More staff had Bachelor and Diploma qualifications (p. 152); and
- More staff were paid above award wages (p. 153).

Goodstart strongly agrees with this assessment, noting that the ACCC also found that NFP ECEC providers were more likely to employ educators fulltime, pay them better and achieved turnover rates around half of that of private providers. In 2020-21, for example, Goodstart offered 3,600 part-time educators the opportunity to convert to full time, with the overwhelming majority taking up the offer. Regular casual educators were offered the opportunity to convert to permanent employment. Currently, by employed hours, 52% of our centre-based workforce is full time, with the remainder fairly evenly split between part time and casual.

At the other end, Goodstart is often approached by permanent employees wanting to convert to casual. While some employees wish to do that for flexibility reasons, a key driver is that many employees see the 21% casual loading as an extra wage increase. This highlights the ongoing challenge of low wages on the workforce.

We are aware that some educators, to help make ends meet, take on second jobs. Better pay for the important job that they do, funded by Government, would reduce this need. Some casual educators work across multiple providers. During COVID, to manage transmission risks in environments where children could not be vaccinated, Goodstart worked intensively with our teams with a view to ensuring casual educators working at Goodstart were not working across multiple employers. Since COVID, the pool of casual educators has contracted significantly, and providers have become more reliant on agency staff who may work across multiple settings.

The Childrens Services Award facilitates flexible working arrangements. Goodstart regularly receives requests from employees to move to flexible working arrangements which we try to facilitate subject to operational requirements.

Goodstart has set building a more diverse workforce as a key people objective, and this has included a specific focus on attracting and retaining Aboriginal and Torres Strait Islander people to our workforce. In our experience, a lack of foundational cultural safety and cultural competence is a significant barrier to successfully attracting and retaining First Nations employees. Goodstart has made significant investments, including in cultural competency training delivered through [Arilla](#) for all staff and has leveraged resources through Reconciliation Australia and Narraguannawali to develop service level Reconciliation Action Plans to with a view to ensuring that all Goodstart services and teams are a culturally safe place for First Nations people.

For some years, as part of our Reconciliation Action Plan, we have run an Aboriginal and Torres Strait Islander Traineeship Program and a Community of Practice, aimed at building centre capability with a view to supporting First Nations trainees to become educators in our centres. This is an important priority for us as First Nations children attend our centres at a higher rate than in the community as a whole. Identifying barriers to participation for trainees is an important part of supporting successful completion of traineeships for Aboriginal and Torres Strait Islander educators. Resources such as access to laptops, as well as access to cultural leave should be provided to trainees to assist in their retention and address barriers to completing their qualifications. We have also made investments in providing "Voices Groups" and "Yarning Circles" for our First Nations employees to come together and connect. This reflects, our long term objective of ensuring our

centres are culturally safe places, connected to community and embracing diversity. These supports are funded by Goodstart's targeted social purpose investment but should be supported by Government to increase reach. We would also encourage this study to reflect on feedback from First Nations peak bodies, [SNAICC](#) and the [Early Years Support](#) program who will have greater insights into the enablers and barriers to First Nations people's participation in the ECEC workforce.

We also run communities of practice to support male educators, who make up just 3% of our workforce, and represent a long term attraction opportunity. We also run communities of practice for LGBTIQ+ and differently abled educators.

Access to learning and development is very important to educators on a professional and personal level, but also as contributing to ongoing quality improvement in the sector. Professional development was a key theme of the workforce chapter of the Draft Productivity Commission Report. Goodstart supports the Commission's call for additional support for professional development (including time off the floor) for quality improvement, with employers still needing to fund professional development for job-specific needs such as safety (draft finding 3.4, 3.6, rec 3.6). The Commission noted that the take up of professional development is widespread but hampered by the cost of backfilling and the expectation that PD will be unpaid (draft finding 3.4, 3.7, rec 3.6).

Neither the award nor the primary ECEC funding mechanism (the Child Care Subsidy) provide as much support for professional development for educators as schools and preschools are able to. For example, funding of schools and preschools supports all services to close for 4-6 'child free' staff training days. Up to 5 days child free days in non-term time can be allocated to professional development and/or course preparation. By contrast, a CCS-eligible ECEC service is only funded when it is open AND a child attends. A change to CCS rules to allow CCS to be collected (provided gap fees are waived) when a service (or room) is closed for professional development would help overcome the biggest barrier to team-based training in ECEC which is the cost of backfill to keep the service open. Such a change could help facilitate access to pupil free professional development days in ECEC services. Coaching and mentoring in room is an important form of professional development that is welcomed by educators and avoids the need and costs of backfill. Any professional development program should include this option, with clear guidelines to ensure compliance with the desired professional outcomes.

5. OTHER INSIGHTS

The Capacity Study focuses on ECEC workforce and skills issues, particularly attraction and retention, including incentives. These guiding questions elicit further information relevant to the study's scope.

- 18) Are there experiences in other countries with comparable economies or other industry settings that could be considered?
- 19) Are there innovative practices or case studies of workforce participation that could be highlighted?
- 20) Are there any additional insights you would like to provide? Please provide details of any other information, relevant to the Terms of Reference of the ECEC Capacity Study, that could be considered?

Goodstart would encourage the study to look to best practice examples in other countries such as Finland. The OECD's Starting Strong project, including its 2020 report on Building a High Quality ECEC Workforce provides important international insights. Its key findings for policy were:⁹

- Adopt high standards for ECEC initial preparation programmes, and create the conditions to support both formal and informal learning among ECEC professionals.
- Ensure that unfavourable working conditions do not accumulate on some ECEC staff and that the status and reward of ECEC professions are aligned with staff responsibilities.
- Set the conditions for ECEC centre leaders to fulfil their multiple functions, and develop a shared understanding of how leadership can best support quality in ECEC centres.
- Target enhancements in staff professional development and working conditions and in leadership development in ECEC centres with more diverse populations of children.

One of the most positive developments for the ECEC workforce in recent years has been the growth in traineeships and the interest from school leavers. Goodstart launched a large national traineeship program in 2022, building up to over 900 trainees working and learning across nearly 500 of our Goodstart centres nationally. Best practice in supporting trainees should include access to mentoring and tutoring support, and also paid time off to study.

The various States have also been engaging with innovations:

- South Australian Education Department- is building Vocational colleges including Findon Technical college with an ECEC program. Goodstart has partnered here.
- Victorian Education Department's Headstart program which provides a great service between industry and schools to assist young people with school-based traineeships.
- Queensland Education Department is rolling out a Qualifications Pathway Program initially focused on supporting educators to upskill to Bachelor qualifications, but also open to considering other options to improve traineeship pathways.

We would be pleased to assist with any further information about any of the information presented in this submission.

⁹ OECD 2020 https://www.oecd-ilibrary.org/education/building-a-high-quality-early-childhood-education-and-care-workforce_b90bba3d-en