



Early Learning and Education

Policy Position Paper

About One Gippsland

Gippsland is a geographically, socially and economically diverse region. At approximately 41,000 square km, it is the largest region in Victoria. Home to over 270,000 people and 6 Local Governments, the region annually produces \$14 billion in Gross Regional Product (GRP).

One Gippsland is a peak regional advocacy body representing this diverse region. We aim to connect the dots between government, business and community, while also collectively working together to champion the interests of our region and our people.

It is our mission to create a thriving and dynamic region that harnesses the social, environmental and economic capabilities and assets. Gippsland has remarkable diversity so that we can offer our community opportunities for a great lifestyle and access to services at all stages of life.

In Gippsland there have been a range of challenges. A recent report produced by SGS Economics shows that Gippsland has undergone a series of economic shocks that have impacted the economic output of the region. Between 2015 and 2020 the combined effect of the COVID-19 restrictions, bushfires, dairy crisis, drought and hazelwood closure have had the following impacts:

- Direct output loss of \$3.28 billion;
- Combined direct and indirect output loss of \$6.86 billion;
- A total of 10,213 job losses (direct and indirect); and
- Gross Regional Product decrease of \$2.66 billion.

The closure of the native timber industry is expected to negatively impact direct output by \$548 million and will further shrink Gross Regional Product by \$431 million.

1. Despite these challenges, Gippsland has great growth aspirations including:
2. Being Australia's most liveable region by 2040;
3. Raising the Digital Inclusion Index Score to be in parity with Melbourne;
4. Attracting an additional 75,000 residents by 2040; and
5. Increasing the annual Gross Regional Product to \$23.2 Billion by 2040.

Early Childhood Issues in Gippsland Communities

Overview

Local Government in Victoria has a long history of involvement with kindergartens and child care with many delivering:

- Kindergarten;
- Long day care;
- Family day care;
- Regulated services under the Children's Services Act;
- Out of school hours programs;
- Supported playgroups; and
- Central registration and enrolment services.

Local Government has also invested in hard infrastructure to accommodate child care and kindergarten services as community assets that require maintenance and renewal.

There have been significant changes implemented by State and Federal Governments in the area of child care and early learning which are complex and continue to impact communities and councils.

Over the past 30 years the changes have included:

- Fee relief funding which increased the number of long day care places;
- Significant growth in private child care providers;
- Changes to accreditation and quality assurance;
- Federal government initiatives (New Growth Strategy);
- CCT;
- National Competition Policy;
- Competitive neutrality;
- Stand alone State Government support for kindergartens;
- Changes to Child Care payments ;
- Development of Municipal Early Years Plans;
- Changes to departmental oversight;
- Changes to central enrolment along; and
- Numerous federal government policy and funding changes and implementation of State Government initiatives.

New Victorian Policy Free Kinder – Best Start Life

In 2022 the Victorian Government announced a new initiative – Free Kinder – *Best Start Best Life*. The initiative aims to ensure that no matter where a child lives or their socio-economic circumstance they are given the best start in life to succeed.

The program has various stages:

- In 2023 free Kinder will be available for all Victorian three and four year old children at participating services in both standalone (sessional) services and long day care (childcare) settings;
- Over the next decade, Four-Year-Old Kindergarten will transition to 'Pre-Prep' – increasing to a universal 30-hour a week program of play-based learning for every four-year-old child in Victoria; and
- 50 Victorian government-owned and affordable childcare centres will be established. These centres will be built in areas that have unmet demand and will make it easier for families to access childcare.

Free Kinder in 2023

Free Three and Four-Year-Old Kinder will be available across Victoria at participating services in 2023 at both long day care and sessional (standalone) services:

- For three-year-olds, this means from 5 and up to 15 hours per week of a kindergarten program; and
- For four-year-olds, this means 15 hours per week (600 hours a year).

Support for Local Government to Plan for this initiative:

- On 4 April the Government announced \$5.2 million Kindergarten Infrastructure and Services Support Grants program, which will support LGAs across the state to identify when and where investment in early childhood infrastructure is required;
- The grants will be provided in three tiers to align with broadly projected demand for Pre-Prep: Growth local government authorities (\$105,000), Metropolitan, Interface and Regional City local government authorities (\$82,000) and Rural local government authorities (\$42,000);
- The Government states crucial data is currently shared across state and local government through the Kindergarten Infrastructure and Services Plan (KISP), highlighting local needs and guiding delivery of educational infrastructure; and
- KISPs have been agreed with all local governments and are publicly available. Currently, these plans estimate the new kindergarten places required to deliver Three-Year Old Kindergarten, but now need to be updated to incorporate Pre-Prep.

Broader Issues of the Availability of Childcare

Childcare Deserts

The Australian Government is the main source of overall funding for child care services, primarily through fee subsidies, while state and territory governments regulate child care providers and set quality standards agreed to under the [National Quality Framework](#).

[The Productivity Commission found](#) that in 2014–15, the Australian Government covered at least 63 per cent of the costs of the childcare system with 37 per cent covered by fees paid by families¹.

1

[https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook46p/ChildCare#:~:text=State%20and%20territory%20governments%20are,through%20national%20partnerships%20\(NPs\).](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook46p/ChildCare#:~:text=State%20and%20territory%20governments%20are,through%20national%20partnerships%20(NPs).)



In 2022 a revolutionary new report by the Mitchell Institute² identified that nine million Australians (or 35% of the population), live in neighbourhoods classified as a childcare desert. A childcare desert is a populated area where there are more than three children per childcare place, or less than 0.333 places per child aged four or under³.

It was further identified that 1.1 million Australians live in regional and remote areas where there is no childcare available at all. The figures below indicate that childcare availability across Gippsland is at a critical level.

Gippsland Town / City	Places Per Child
Philip Island	0.36
Wonthaggi / Inverloch	0.21
Foster	0.00
Leongatha	0.49
Warragal	0.29
Trafalgar	0.00
Moe	0.31
Morwell	0.44
Traralgon	0.35
Sale	0.44
Longford	0.12
Yarram	0.00
Maffra	0.00
Bairnsdale	0.38
Paynesville	0.15
Lakes Entrance	0.62
Orbost	0.00

High-quality early childhood education and care enables children, particularly from [disadvantaged backgrounds](#), to succeed later in life. The broader impacts of a lack of childcare has social and economic impacts, where women are more likely to be disadvantaged.

In Victoria the current system for funding 'Building Blocks' infrastructure heavily focuses on the number of kindergarten places being created and gives little regard for the number of childcare places. However as outlined above there is a significant shortage of childcare places.

Skills Deficits

In 2020-21, there was a total of 314,480 children in the Victorian early childcare system and approximately 50,000 people working in the sector, 17,400 of these are early childhood teachers.

Due to the increase in state and federal programs an additional 6000 workers are required, 2250 of these will be early childhood teachers in 2025. This does not account for the current deficits of childcare places that currently exist.

² <https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>

³ <https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>



Urgent action to increase support for local education providers to meet training requirement and incentives to train aspiring childhood educators is now required.

The Challenge for Local Government in Gippsland

While the One Gippsland welcomes the Government's investment in planning and information sharing for the Best Start policy, infrastructure (including capital and recurrent) costs across the spectrum of early learning and care remain a significant issue for local government.

Ageing infrastructure cannot provide for the now expected provision of seamless integrated services in established towns. The problem of a lack of infrastructure in regional areas may see families with fewer child care options available to them than families in metropolitan areas.

Additionally there is a patchwork of asset ownership in many regional areas in this space. Local governments many only own a percentage of the facilities but are expected to plan for upgrades to buildings that are not their own.

Implementation of Best Start Best Life and meeting the growing demand for childcare will have a significant impact on local government the region. The underlying assumption being made by the Government is that local government will continue to build and maintain the infrastructure needed for this program expansion. The on top of the misaligned funding structures adding additional pressure to local government's CAPEX program will be a significant challenge.

The issues for One Gippsland Councils arising from this are:

Issue	Summary
Infrastructure Planning	Child care and kindergarten can only be provided in purpose built or modified facilities. Local government has a long history and involvement in providing the infrastructure for child care and kindergartens however the cost of infrastructure delivery in a rate capped environment will not allow these facilities to be delivered in the timeframes to meet demand.
Pre Prep 'Deserts'	Some areas in Gippsland have fewer child care facilities, kindergartens and schools in their neighbourhoods. A lag in infrastructure planning and development means people don't have access to services or must travel considerable distances to access these services.
Service Location on School Sites	State funding for new "integrated centres" or hubs on school sites is favouring growth councils and lower socioeconomic municipalities. There is a risk that some of our councils will miss out on funding opportunities. The lack of school facilities in Gippsland councils creates an additional problem as co-location or pre prep services is not possible in the absence of these education facilities.



	Where co-location does exist the peak pick up and drop off periods mean demands on local roads that create unplanned for congestion. The cost of addressing this congestion has not been considered in the best start policy.
Increased Support for Training	Increased support to ensure that local education providers must now be a priority. Incentivising aspiring education must also be key to the solution to attracting the quired workforce.

Recommendations

One Gippsland notes the Victorian Government's funding for planning and forecasting required for the Best Start initiative. The ability to support the program through infrastructure in a rate capped environment is not achievable for One Gippsland members – as such infrastructure required for Best Start is unfunded.

One Gippsland seeks the Victoria Government meets its responsibilities for early years policy by establishing funding across the infrastructure and education pipeline to meet the backlog and growing demand as the Best Start program rolls out.

For Further Information

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