



Augusta & Districts Community Childcare Inc.  
66 Allnut Tce  
Augusta WA 6290  
1/11/23

To: ACCC Childcare Inquiry Taskforce

To Whom It May Concern,

We wish to provide a short submission to this inquiry, to represent the challenges faced by families wishing to access childcare in our rural location, and the challenges faced by us operating as an approved provider in this area.

Augusta & Districts Community Childcare Inc. was formed in 2020 to address the shortage of childcare in our area, after the two family daycares servicing the district closed down. We are in south-west WA, population approximately 1800 in the 2021 census for the wider district, 400km from Perth. We are 42km along country roads from the nearest childcare services in Margaret River, itself a growing town with limited vacancies. We have advocated and lobbied for access to early childhood education and care through local and state government. We became an approved provider ourselves, and in January 2021 we commenced a Vacation Care service which attracts Child Care Subsidy (CCS) and supports working families. We were able to access a temporary lease at the local primary school to run this service from, whilst continuing to work towards an early childhood venue. This year we have received state government funding to retrofit a house into a building suitable for a 24-place childcare, and this project is underway.

From the perspective of our rural community, we would like to make the following points about the market dynamics which affect affordability and accessibility of childcare, which may particularly relate to Draft Recommendation 2:

- Under the Community Child Care Fund (CCCF) grant stream, our location is not classed as a Priority Area, despite being 42km from the nearest childcare – this has meant we are unable to apply for grants for capital funding towards opening an early childhood venue in the grant round earlier this year.
- We have previously been in touch with other operators seeking their interest in opening an early childhood service in our town, and received feedback that as services with more places are more financially viable, they focus on areas of higher population when seeking to open another service. It would be great if it was more viable for commercial operators to address the rural childcare drought. In healthcare settings such as pharmacies and GP surgeries, there is federal funding which uses the Modified Monash Model to provide a rural loading to government funding depending on how remote the location is. Perhaps this could be applied to CCS funding in a similar way, to attract more providers to small country towns. A small loading to the CCS hourly rate cap for rural locations may have this effect.
- Due to the lack of interest from other operators, we settled on the community childcare model. However, this has a significant burden on our volunteer board. Often, we are placing

our children in the vacation care program simply to run the administration required for this service. As a volunteer board, we already have commitments to our own employment, and so it is difficult to keep up with changes to regulations and industry updates. There are also concerns that this model may not have longevity as board members change, and in our ability to provide the highest quality of education and care comparable to the larger operators with more resources.

- It has been great for educators now that we are able to discount their gap fee for their children enrolled in the service. This has really helped us with retaining educators. Perhaps rules could be widened to enable this discount to be offered to volunteer board members, as a way of attracting volunteers and hence supporting the sustainability of a community childcare model.
- The ongoing cost of attracting and training staff is a burden on a small service (as it is with any small business). The ECEC Workforce PD grant has been a useful initiative, but as we run a vacation care service, we only have two staff who have worked the number of hours to be eligible for this. Perhaps this requirement could be more generous for OSHC services. Also, it covers the cost of staff wages but not the cost of essential training. Just yesterday we found out that we now need to have a staff member with Food Safety Supervisor training as of 1/12/23 – this costs around \$200 plus staff wages to meet this requirement.
- The activity test has been observed to impact those with seasonal work in our area (tourism and agriculture) who find they reach the cap of their subsidised hours during peak times, which is when they most need care.
- Parents looking to re-enter the workforce may wish to secure affordable care before seeking employment, given the shortage of available care, the affordability of which also is affected by the activity test. Currently only 16 hours/fortnight are allowed for those looking for work.
- With rising interest rates and a severe rental shortage, some families with a modest income and hence a moderate gap fee, have indicated that they find childcare unaffordable in the context of mortgage stress / rental affordability. They have not enough money left after paying their mortgage / rent to pay the daily gap amount. Hence their child is not accessing early childhood education.
- In the context of an accommodation shortage, there is less ability for new operators to open family daycare services as there is less choice of venues and older residences are less likely to be suitable.
- In a low socioeconomic area such as ours, it is acknowledged that disadvantaged children are the most likely to benefit from early childhood education and care. It is important to remove as many hurdles as possible to enable these families to access these services.

We are passionate about this cause and are doing our best to address the shortage of childcare in our part of Australia. We hope that in the future, a child's right to access early learning in Australia is not determined by the postcode in which they live. We thank you for reading our submission and look forward to seeing the final recommendations.

Yours sincerely,



Kylie Lucas  
Treasurer  
Augusta & Districts Community Childcare Inc.