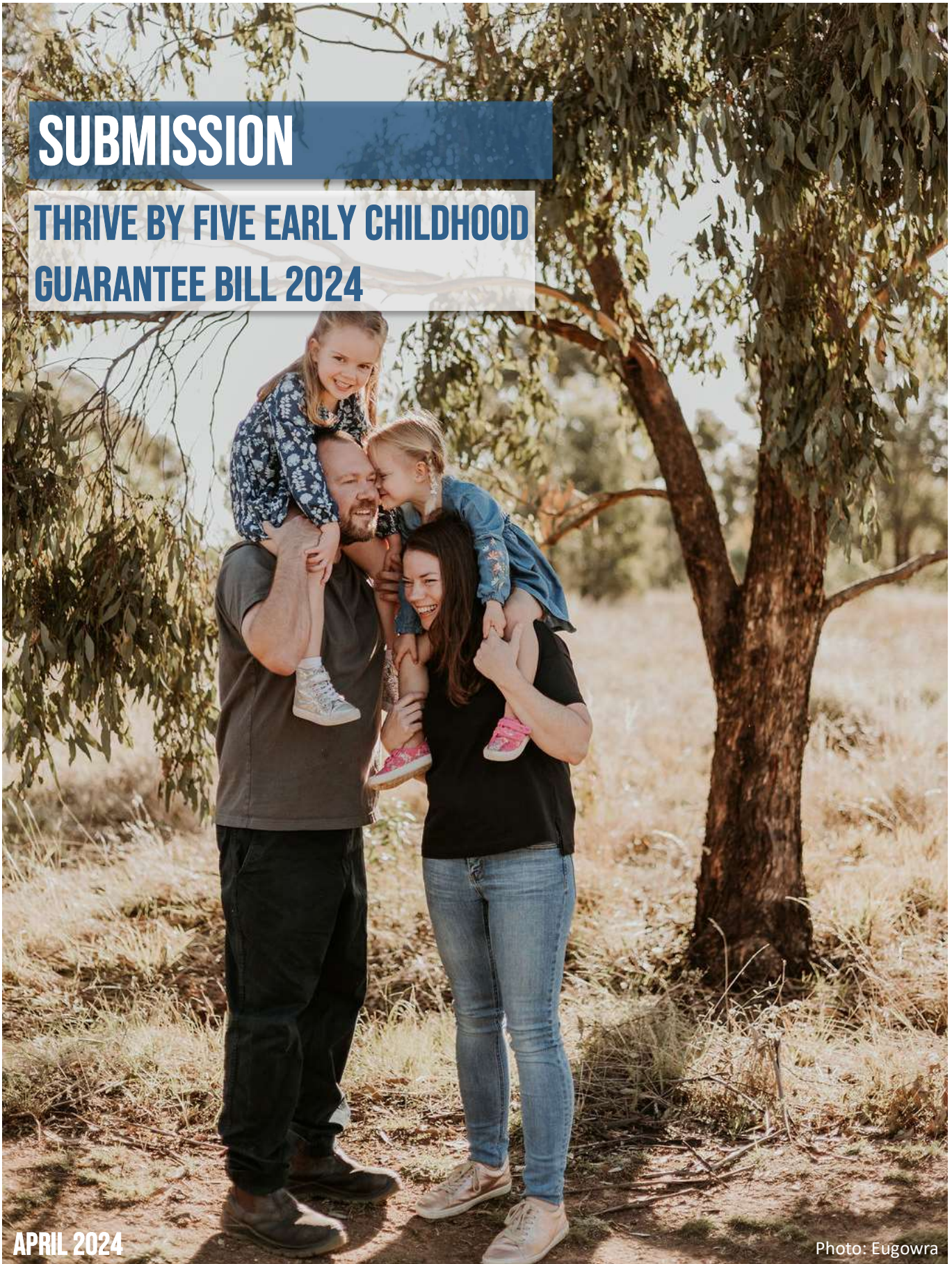




# SUBMISSION

## THRIVE BY FIVE EARLY CHILDHOOD GUARANTEE BILL 2024



**APRIL 2024**

Photo: Eugowra

## ABOUT THE REGIONAL AUSTRALIA INSTITUTE

The RAI is Australia’s only independent think-tank dedicated to research and activation to inform regional policy and investment.

Since 2011, the Institute has been researching topics relevant to the prosperity and success of regional Australia including migration and population; regional employment; jobs and skills; population; housing and health.

The RAI exists so that decision-makers at all levels of government, industry and community have the information they need to ensure the best outcomes for regional Australia.

### Our purpose is to empower regions to thrive.

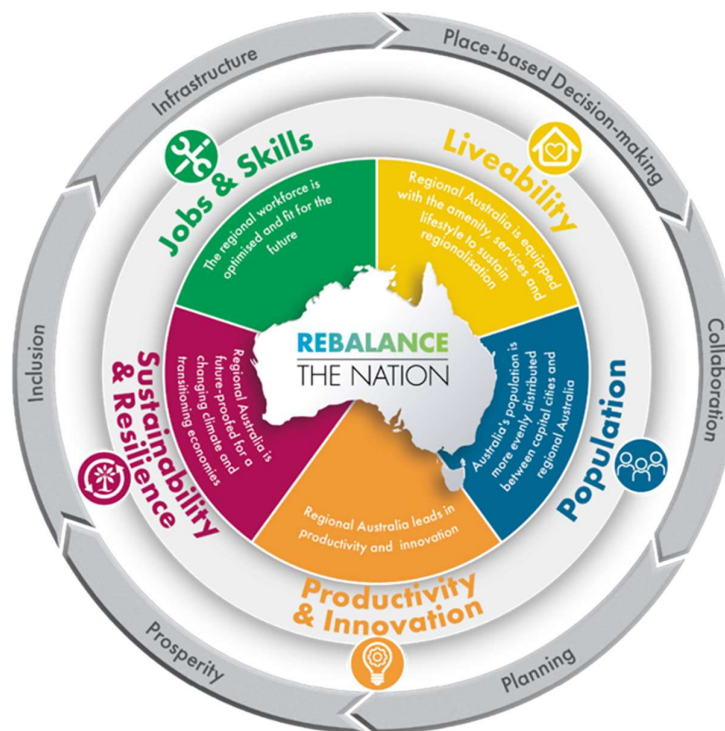
## REGIONALISATION AMBITION 2032

Based on more than a decade of research into the most important issues influencing the regions, in 2022, the RAI launched the *Regionalisation Ambition 2032 - A Framework to Rebalance the Nation* – a 10 year plan for regional Australia.

Designed for all levels of government, industry and the community, the Ambition seeks balanced growth across our nation’s regional towns and cities. The Framework underpinning the Ambition outlines cross-cutting themes and five pillars each of which are interlinked and equally important. Across each pillar the RAI has outlined key targets, actions and benefits that will contribute to building prosperous regional communities, and a stronger Australia.

See the **Regionalisation Ambition 2032 – A Framework to Rebalance the Nation** here:

<https://www.regionalaustralia.org.au/Web/RF/Regionalisation-Framework/Regionalisation-Ambition-2032.aspx?hkey=f9cf41e1-2b7e-4870-ac08-9c4efa4cb562>



## OUR MEMBERS

The RAI has an extensive member network spanning corporate Australia and community-based organisations.

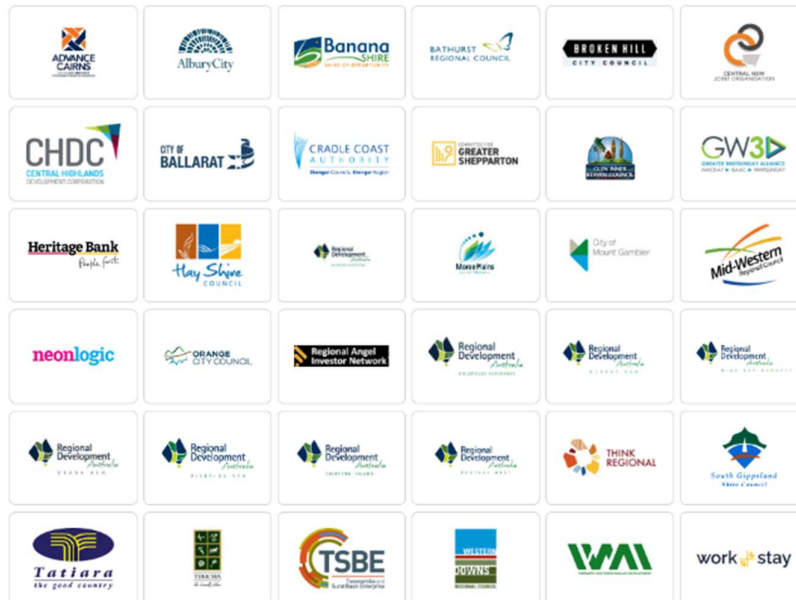
The **Regional Australia Council** is a cohort of leading corporate entities with a footprint in and a commitment to regional Australia. The **Regional Activators Alliance** includes than 30 local government organisations, Regional Development Australia network members, and economic development associations. Both membership groups were involved in the design and launch of the Regionalisation Ambition 2032 and its targets. In 2023, the RAI established the **National Alliance for Regionalisation**, a cohort of 32 of Australia’s leading peak industry bodies who support the aspirations of the Regionalisation Ambition 2032 and overarching goal to ‘rebalance the nation’.

These networks provide the RAI with a unique, ‘lived’ understanding and experience of the issues impacting regional Australia.

### Regional Australia Council



### Regional Activators Alliance



## DISCLAIMER AND COPYRIGHT

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The Regional Australia Institute welcomes and endorses the Thrive by Five Early Childhood Guarantee Bill 2024 as a significant step forward, ensuring the future of the next generation of Australians.

Childcare has remained an undervalued yet essential service in contemporary Australia. The Institute has submitted previously to the *Productivity Commission ECEC Inquiry: Draft Report, Jobs and Skills Australia ECEC Workforce Capacity Study*, Senate Committee on Community Affairs Inquiry into the *Paid Parental Leave Amendment (More Support for Working Families) Bill 2023*, and *2024-25 Pre-Budget Submission*, all regarding regional childcare. Further, the Institute bases the advocacy and recommendations outlined in these submissions on prior findings and targets of the RAI. This includes the findings from the RAI's *Maranoa and Western Downs Childcare Study*, *Against the Odds: Realising regional Australia's workforce potential*, and *Regional Jobs 2022: The Big Skills Challenge*. The RAI's overall target as outlined in the *Regionalisation Ambition 2032*, is to half the population living in a childcare desert from 2 million (2020) to 1 million by 2032.

The work of the Thrive by Five and the advising coalition of individuals and organisations has been invaluable to the goal of providing affordable universal childcare to all families across Australia. As illustrated in the numerous policy submissions and reports by the RAI, regions particularly fall victim to inadequate and unavailable childcare services. As such, this geographical barrier catalyses many of the prevalent childcare conditions found across Australia: unaffordability, the perverse outcomes of the activity test and lack of childcare positions. The effect of inadequate childcare is not only detrimental to children, but also to the welfare of parents, carers, families, and particularly women.

In 2020-21 250,000 women reported a want to work, or to work more hours, with 25% citing 'caring for children' as the main barrier for both<sup>1</sup>. With women who have a child, or children aged under 15, the same metric grew to 50%. In contrast only 0.2% of men cited childcare as being the main barrier of entry to the workforce. Critically in sole parent families, of which 14.7% of the 7.5 million Australian families are, ECEC is key to their access to the workforce. Furthermore, 83% of sole parent families are sole mother families further compounding the gendered difference<sup>2</sup>. Childcare services are essential to transitioning people with dependent children, especially women, back into the workforce.

Creating an environment where new parents can participate in the workforce is crucial for the development and sustainability of regional Australia with broad job vacancies across the board following the post Covid-19 regional jobs boom. The Institute has documented this phenomenon with the Intergovernmental Shared Inquiry Program (ISIP) *Regional Jobs 2022: The Big Skills Challenge Report*, which highlighted the sophistication of employment opportunities in regional Australia. Further, the RAI monthly updates and quarterly reporting of regional job vacancies illustrates the enduring strength of this change in the regional workforce with 82,000 job vacancies as of March 2024, 2000 higher than December of 2022 and 8.5% higher than the month prior<sup>3</sup>. However, the fulfillment of the regional job market vacancies cannot be achieved without a foundation of accessible and affordable childcare.

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<sup>1</sup> Hutchinson, D., Block, A., Robin, S., Cheng, Y., Shi, C., and Zou, Z. (2023) *Against the Odds – Realising Regional Australia's Workforce Potential*. Regional Australia Institute. Canberra. p. 81.

<sup>2</sup> Hutchinson, D., Block, A., Robin, S., Cheng, Y., Shi, C., and Zou, Z. (2023) *Against the Odds – Realising Regional Australia's Workforce Potential*. Regional Australia Institute. Canberra. p. 81.

<sup>3</sup> RAI – *Jobs and Skills Australia*. (2024) *Internet Vacancy Index March 2024*. JSA website. [Internet Vacancy Index | Jobs and Skills Australia](#)

## Thrive by Five Childhood Guarantee Bill 2024 - Provisions

The provisions of the Thrive by Five Principles (Schedule 1), forward the three crucial elements of 52 weeks of paid parental leave (PPL), a minimum of standard for maternal and child health checks, and 30 hours of accessible and quality Early Childhood Education and Care (ECEC).

### Paid Parental Leave

Fifty-two weeks of PPL available to either partner, or in totality in single parent households, is an ambitious target but one not dissimilar to international comparisons. As of February 2024, the OECD average for total PPL available to mothers is 51.9 weeks, with the EU average at 66.3 weeks<sup>4</sup>. Improvements have been made to the PPL system with the *Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022* and *Paid Parental Leave Amendment (More Support for Working Families) Bill 2023*, both supporting a more equitable divide in PPL responsibilities between genders, better recognition of non-heterosexual partnerships, and increasing available PPL weeks to 26. Further, it has been encouraging to see the Federal Government commit to providing superannuation on PPL, which was previously recommended by the RAI and fellow Thrive by Five members. However, more must be done.

Australia is lagging behind global standards and there must be a concerted and deliberate process in redefining our PPL and ECEC model. As highlighted in the RAI's submission to the Senate Committee on Community Affairs Inquiry into the *Paid Parent Leave (More Support for Working Families) Bill 2023*, without accessible childcare in regions parents rely on PPL, and without adequate PPL, parents are forced into childcare without remuneration. This perpetual issue which disproportionately affects women, has resulted in the worsening of the financial gap between genders. The Institute recommended extending PPL with superannuation to parents forced into unpaid childcare as a result of regional ECEC inaccessibility. The proposal of the *Thrive by Five Early Childhood Guarantee Bill 2024* goes beyond what the RAI originally recommended, and the Institute supports this further ambition.

### Child and maternal health development checks

Access to 10 child and maternal health development checks for all children or mothers respectively and up to 25 for children who need further support, is a sensible and previously overlooked concept. The target of increasing the number of medical practitioners by over 100 FTE per 100,000 in regional Australia as set in the *Regionalisation Ambition 2032*, could be assisted by this concept. Developing a network of medical practitioners in regions that specialise in providing these essential services would be an invaluable resource to regional Australians. Within this principle there should be consideration made as to what would be the most effective integration of demand for these services into the current regional health network. Without the policy and support to bolster the medical workforce especially that of child and maternal healthcare workers, this may increase demand on an already insufficient workforce. Therefore, the RAI supports the notion of providing baseline access to these essential services, with the caveat that there must be a consideration to support these services regionally, as this may become another entitlement that regional Australians should receive but miss out due to workforce shortages.

### Fixed Fee ECEC 30 hours a week

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<sup>4</sup> OECD Family Database. (2024) PF2.1 Key characteristics of parental leave systems. OECD.

In this submission and within past submissions of the RAI, the importance of ECEC to regional communities has been highlighted with accompanying recommendations. The RAI are in full support of the provisions in the Bill, including the daily fixed fee of \$10. However, again there must also be consideration as to how this provision can be applied regionally. Regional supply-sided funding for diverse childcare services has been recommended numerous times by advocacy organisations such as The Parenthood, as well as by Government organisations such as in the Productivity Commission's *A path to universal early childhood education and care* and the ACCC's *Childcare Inquiry 2023 Final Report*. These reforms and recommendations must coincide with the *Thrive by Five Bill* and provide a soft infrastructural basis to the proposed services.

### **In summary**

The Institute extends gratitude to the work and resources the Thrive by Five organisation and coalition of members have applied to the issue of childcare and parental services in Australia. The Regional Australia Institute fully endorses the Bill and acknowledges its alignment with the core tenants of the RAI's *Regionalisation Ambition 2032*, research reports, and advocacy projects. Further, the principles of the Bill provide a target for the Government and organisations to strive to. Hopefully with continued concerted, research based, and human-centric efforts, a worthy childcare and parental system can be sought in Australia.