

Southern and Hills Local Government

Submission

Senate Inquiry into the State of Australia's Early Childhood Education and Care System in Rural, Regional and Remote Communities

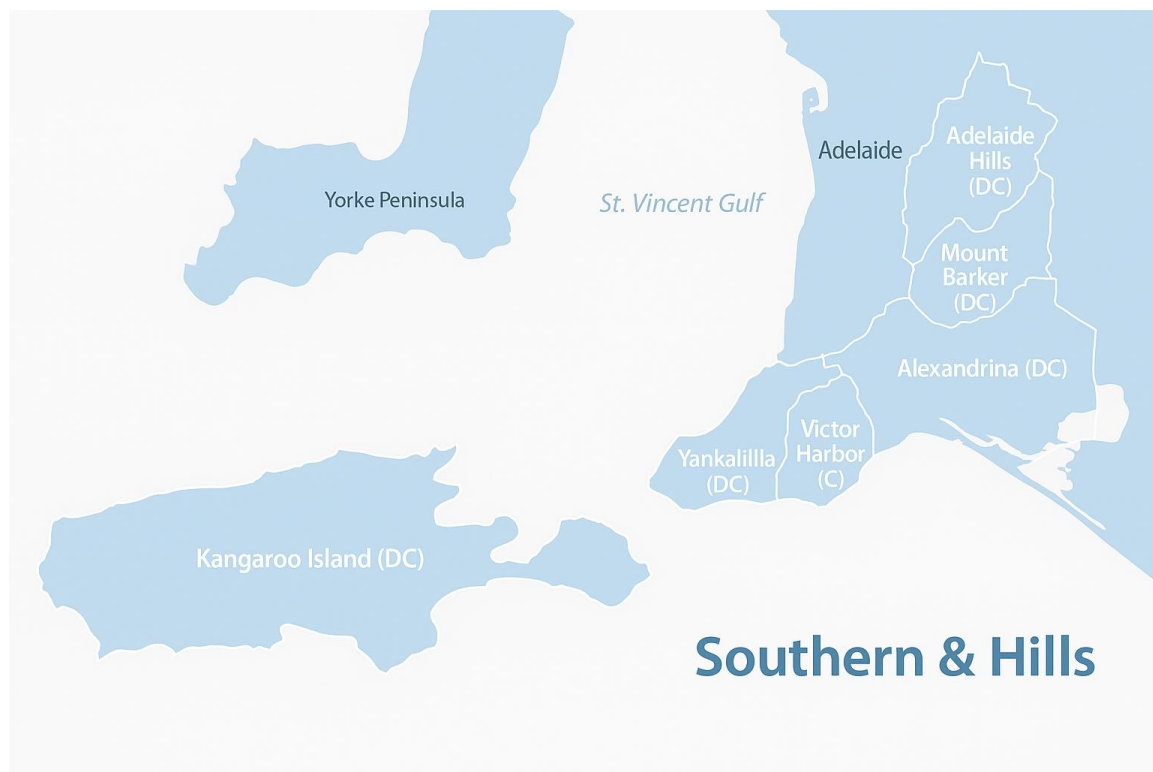
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About SHLGA

The Southern and Hills Local Government Association (SHLGA) represents six councils across the Adelaide Hills, Fleurieu Peninsula and Kangaroo Island: Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mount Barker District Council, City of Victor Harbor and District Council of Yankalilla.

The region is diverse. It includes rapidly growing peri-urban communities, established regional centres, rural towns, dispersed settlements and the geographically isolated communities of Kangaroo Island.



SHLGA welcomes the opportunity to contribute to the Senate Education and Employment References Committee's inquiry into the ability of Australia's early childhood education and care (ECEC) system to deliver accessible, high-quality, reliable and flexible services to rural, regional and remote communities.

This submission focuses on childcare accessibility and the role local government can appropriately play in supporting place-based solutions.

Childcare access varies significantly across our region

Access to reliable and appropriate ECEC is important social and economic infrastructure. It supports children's development and family wellbeing, enables parents and carers to participate in the workforce, and supports the ability of regional communities to attract and retain workers.

Evidence demonstrates significant childcare accessibility gaps within the Southern and Hills region.

The Mitchell Institute's 2024 childcare accessibility research defines a "childcare desert" as an area with fewer than 0.333 childcare places per child - equivalent to more than three children for every available place.

Data for the 13 Statistical Areas Level 2 (SA2s)¹ across the SHLGA region shows significant variation in theoretical accessibility. Four fall below the childcare desert threshold:

- Strathalbyn Surrounds (0.050 places per child)
- Mount Barker Surrounds (0.117)
- Uraidla–Summertown (0.140)
- Lobethal–Woodside (0.304).

Strathalbyn Surrounds and Mount Barker Surrounds are among the five areas with the lowest childcare accessibility in South Australia.

The variation within individual council areas is particularly important. Mount Barker has 0.685 places per child, compared with just 0.117 in Mount Barker Surrounds. Strathalbyn has 0.446 places per child, compared with 0.050 in Strathalbyn Surrounds.

This demonstrates why regional or local government area averages can obscure significant local service gaps. A relatively well-serviced regional centre can sit alongside surrounding communities experiencing very limited access.

Available places do not necessarily mean accessible care

The Mitchell Institute data is an important indicator of the spatial distribution of childcare places, but theoretical availability does not necessarily reflect a family's ability to obtain care that meets its needs.

A place may exist but be unavailable on the days required, unsuitable for the age of the child, too far from home or work, or unavailable in practice because workforce shortages prevent a service operating at its licensed capacity. Waiting lists and operating hours can create further barriers. The LGASA *Improving Early Childhood Education and Care Access* toolkit similarly cautions that the existence of services does not necessarily indicate actual availability and identifies utilisation, waitlists, capacity, workforce and spatial accessibility as important considerations.

Recent regional work led by Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island (RDA AHFKI) is helping to provide this more detailed picture.

¹ [Mapping the childcare deserts: Childcare accessibility in Australia | Victoria University](#)

RDA AHFKI, working with a neighbouring RDA, has taken the lead in developing the regional evidence base. Its ECEC Audit and Needs Analysis combines demographic and service mapping with consultation and economic analysis to better understand actual demand and where additional services may be required to support population growth and workforce participation.

Together, these sources demonstrate that the relevant question is not simply whether childcare places exist, but whether families can access appropriate care when and where they need it.

Local government can help facilitate solutions

Councils are often well placed to identify and help address local ECEC gaps. They understand local population and development trends, employers, community organisations, land and infrastructure, and the practical circumstances affecting their communities.

Depending on local circumstances, councils can:

- help identify and communicate unmet demand
- incorporate ECEC into growth and infrastructure planning
- convene providers, employers and community organisations
- facilitate development and investment
- identify suitable land or facilities
- support partnerships
- advocate for government investment.

This place-based enabling role is consistent with the experience of regional councils in South Australia and one of local government's strengths as a partner in government.

There are circumstances in which an individual council may choose to go further - including contributing land or infrastructure, providing financial support or directly operating a service. These should remain decisions for individual councils based on community circumstances, priorities and financial capacity.

Importantly, the willingness of some councils to help find solutions should not result in local government becoming the provider or funder of last resort.

Regional councils have finite revenue bases and significant existing responsibilities for local infrastructure and services. Their financial capacity may bear little relationship to the severity of childcare need in their community. Relying on councils to fill service gaps would make access increasingly dependent on the financial capacity of individual councils and their ratepayers.

The national ECEC system should therefore support councils to contribute as place-based enablers, without assuming that they will carry the capital or recurrent cost of structural market failure.

Recommendations

1. Measure and respond to actual regional childcare need

The Australian Government should use place-based evidence of effective access to guide regional ECEC planning and investment, rather than relying solely on aggregate service numbers, licensed places or conventional measures of commercial viability.

Assessment should consider geographic accessibility, waiting lists, operating days and hours, age-appropriate availability, workforce capacity, travel requirements, population growth and the practical experience of families seeking care.

2. Provide sustainable and flexible responses to regional market failure

Where demonstrated community need cannot be sustainably met by conventional market provision, Commonwealth support should respond to the underlying cause of the service gap. This should include appropriate capital investment, recurrent viability funding for thin markets, workforce measures and support for flexible service models suited to smaller, dispersed or geographically isolated communities.

This is consistent with the approach proposed by other South Australian regional local government organisations.

3. Recognise and support local government's place-based enabling role

Local government should be recognised and supported as a partner in identifying ECEC needs and facilitating place-based solutions, alongside the Commonwealth, State Government, Regional Development Australia organisations, providers and communities.

Funding arrangements should support the work required to turn identified needs into viable projects, including needs assessment, feasibility and business cases, service planning, provider engagement and infrastructure planning. Councils should also be able to contribute land or existing facilities where appropriate without being required to become the long-term operator or financial guarantor of the service.

4. Do not make local government the provider or funder of last resort

Commonwealth and State responses to regional childcare market failure should not rely on councils and their ratepayers becoming the provider or funder of last resort.

Councils should retain the ability to determine the extent of their involvement according to local circumstances, community priorities and financial capacity. Where a council chooses to contribute land, facilities, funding or direct service provision, this should be enabled and supported - not treated as an assumed local government responsibility or a prerequisite for government investment.

Conclusion

The Southern and Hills experience demonstrates that childcare access can be a significant economic and social constraint in any regional context, including growing peri-urban areas. Significant differences can occur between neighbouring communities and even within the same council area.

Effective policy therefore needs to look beyond the theoretical number of childcare places to understand whether families can actually access care that meets their needs.

Local government can make an important contribution to finding solutions. Councils bring local knowledge, planning and infrastructure expertise, relationships and the ability to convene partners. RDA organisations can similarly provide regional evidence and coordination, as RDA AHFKI is doing in the Southern and Hills region.

These strengths should be harnessed through genuine partnership and appropriate government support. They should not become a mechanism for transferring responsibility for structural gaps in Australia's ECEC system to councils and regional ratepayers.