

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

September, 2026

Where children come first.





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About C&K

Founded in 1907, C&K is one of Queensland's largest and most experienced early childhood education providers. As a not-for-profit organisation, we put children first and are committed to providing high-quality, affordable and accessible early childhood education and care.

C&K operates a network of 139 kindergartens and 43 childcare centres across Queensland and proudly partners with 141 affiliated kindergartens, which operate as independent incorporated associations managed by volunteer management committees, usually made up of parents and guardians. Through our evidence-informed, play-based approach, we nurture children's curiosity, creativity and love of learning while building the foundations for lifelong wellbeing.

As both a direct provider of services and a Central Governing Body (CGB) to our affiliated kindergartens, C&K operates and supports services across metropolitan, regional, rural and remote Queensland. Together we are proud to shape the learning journey for over 18,000 children each year.

Executive summary

C&K welcomes the opportunity to contribute to this inquiry and thanks the Committee for examining the state of Australia's early childhood education and care system in rural, regional and remote (RRR) communities.

High-quality ECEC provides important benefits for children's learning, development, wellbeing and lifelong outcomes. This is particularly important because children in rural, regional and remote communities are more likely to experience factors associated with vulnerability and developmental disadvantage. Australian Early Development Census (AEDC) data consistently shows higher rates of developmental vulnerability across many regional and remote communities. These are the children who stand to benefit most from participation in high-quality early learning, yet they are often the children with the least reliable access to ECEC due to workforce shortages, service availability and the challenges of operating in thin markets. It also supports families to participate in work and strengthens the capacity of regional communities to attract and retain workers. Ensuring children in RRR communities can access high-quality ECEC is therefore both an early childhood priority and a vital ingredient of strong, sustainable communities.

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C&K directly operates or supports 94 early childhood services in regional, rural and remote (RRR) Queensland, providing extensive firsthand experience of the challenges associated with delivering ECEC in thin markets. This includes:

- 42 Branch services located in regional and remote Queensland.
- 52 affiliated kindergartens located in regional and remote Queensland.

Children living in rural, regional and remote (RRR) communities deserve the same opportunity to access high-quality early childhood education and care as children living elsewhere in Australia.

The challenge is not simply whether a service exists. It is whether that service can operate reliably, attract and retain enough educators, respond to children's needs and remain financially sustainable over time.

In regional, remote and rural services, these pressures are inextricably linked. A service may have places available but be unable to offer them because it cannot recruit an educator or Early Childhood Teacher. Recruitment challenges are exacerbated by housing shortages while also competing with better-paid industries. A small team may be operating at minimum ratios but have little capacity to absorb staff absence, undertake professional development or provide additional support to children with complex needs.

Workforce shortages affect much more than staffing numbers. They affect access, quality, inclusion and the sustainability of services themselves.

As a not-for-profit provider, C&K continues to operate and support services in commercially weak markets because the community need is significant. However, not-for-profit providers cannot be expected to indefinitely absorb the structural costs of operating essential services in thin markets.

C&K's data shows that a service can have strong occupancy rates and still operate at a loss because of the structural costs of service delivery in RRR ECEC. Government policy must consider the full lifecycle of an RRR service, from planning and establishment, to recruiting and operating high-quality and inclusive services that are financially sustainable.

Funding programs and guidelines can be difficult to apply across very different settings, further illustrating that a one-size-fits-all approach can limit the ability of providers to use funding effectively in RRR communities and provide high quality ECEC.

C&K has regional and remote kindergartens facing the prospect of closure because enrolment numbers are too low to sustain operations, despite having a clear and ongoing community need. When a high-quality not-for-profit service becomes financially unsustainable and has to close or reduce its provision, families are left with a lower-quality ECEC alternative, or may need to travel long distances to access the service they want for their child. Flexible operational funding is needed to prevent the loss of essential services in thin markets and ensure that families in RRR communities can continue to access high-quality ECEC and have meaningful choice about the service they use. C&K recommends four areas for action:

- 1. Establish a place-based approach to sustaining high-quality ECEC in rural, regional and remote communities.**
- 2. Introduce sustainable and flexible operational funding for essential thin-market services.**
- 3. Develop a dedicated regional ECEC workforce response.**
- 4. Strengthen inclusion capacity in rural, regional and remote ECEC.**

Service gaps

RRR ECEC is essential community infrastructure

ECEC is primarily discussed in terms of its benefits to children and families. Those outcomes are fundamental, but in regional communities its role is broader. Reliable ECEC enables parents and carers to participate in paid employment and contributes to a community's ability to attract and retain essential workers, including GPs, pharmacists, emergency services workers and skilled trades. When ECEC is unavailable, unreliable, or unable to provide the hours families require, it can affect a parent's ability to take up or retain employment. C&K has seen the impacts of this in RRR communities and recommends that ECEC be recognised as the essential service it is.

Operational costs

C&K's 2025 data demonstrates that financial pressure can persist even where services have reasonable occupancy.

Of C&K's 42 RRR Branch services:

- 18 reported a loss in 2025;
- seven of those 18 had occupancy of 75% or higher;
- one was loss-making despite 91% occupancy; and
- several services were operating at 84–89% occupancy and still recording losses.

C&K's data demonstrates that while some services with very low utilisation are loss-making, other services are also recording losses with occupancy rates of 75–100%. This suggests that the cost of delivering ECEC in particular regional communities can be significant, even where services are well utilised.

The financial performance of regional services with similar levels of utilisation also varies considerably. A service can be well utilised and still face structural costs associated with its location, including:

- recruitment
- housing
- travel
- relief staffing
- specialist support
- professional development
- infrastructure and maintenance
- fluctuating enrolments.

A community can urgently need ECEC without having the population, enrolment numbers or workforce to make a service financially self-sustaining. This highlights why a one-size-fits-all approach does not work within RRR ECEC. Government support should not be based solely on low enrolments or occupancy.

As recognised by the Productivity Commission in its 2024 inquiry into universal ECEC, persistent thin markets and communities with complex needs may require additional government funding to establish appropriate services and, where necessary, ensure their ongoing viability.

C&K considers this particularly relevant to not-for-profit providers delivering essential services in RRR communities. **Not-for-profit providers should not be expected to indefinitely absorb the costs of essential community infrastructure.**

Existing services do not guarantee access

The presence of an ECEC service does not necessarily deliver meaningful access to families. A service may be open but unable to offer all places because of workforce shortages. It may have to temporarily close at short notice due to unavailability of relief workforce, or may have limited capacity to support children with additional needs. C&K has several examples of these challenges.

In Biloela, an Early Childhood Teacher (ECT) position remained vacant for more than 500 days, despite C&K offering additional cost-of-living support, higher salary and additional leave. Under Queensland's Free Kindy program, funded kindergarten services must have a qualified ECT delivering the program. As a result of workforce shortages, the service was unable to recruit an ECT, meaning families in the community were unable to access the benefits of the Free Kindy program. This illustrates a broader challenge for RRR communities: government investment in early childhood education cannot achieve its intended outcomes where persistent workforce shortages prevent services from meeting regulatory requirements.



Billboard on the road from Biloela to Gladstone: C&K Biloela Childcare Centre has been unable to offer the Free Kindy program while the service has been without an ECT.

In very remote communities, standard funding requirements can create additional challenges when workforce shortages make it difficult to deliver the required hours of kindergarten.

In a far north Queensland affiliated service, severe workforce and housing shortages mean the service is experiencing significant difficulty meeting the 600-hour requirement under Queensland Kindergarten Funding Scheme (KFS) guidelines. There are currently no exceptions to the 600-hour requirement, meaning funding can be cut if the required hours cannot be delivered.

This is one example which highlights why RRR ECEC requires place-based solutions rather than a uniform approach to funding. Restrictive funding requirements can unintentionally make it harder for providers to use funding effectively across different operating models in such diverse RRR contexts.

This can create a damaging cycle, as high-quality services struggle to remain financially sustainable without sufficiently flexible funding. If funding arrangements do not adequately reflect the unique challenges of regional and remote communities, these services may be placed at risk of closure, reducing family choice and limiting access to high-quality ECEC for children in these areas.

C&K has families in some RRR communities travelling 60 kilometres or more to access our kindergartens because the alternatives available closer to home do not provide the high-quality ECEC they want for their children. This illustrates the difference between the presence of a service and meaningful access to high-quality ECEC.

Policy should allow for greater flexibility in very remote communities with considerable workforce constraints so that funding supports the ultimate objective: ensuring children can access high-quality kindergarten and families have choice, even when the standard delivery model is difficult to sustain.

Workforce constraints

Workforce challenges are among the most significant barriers to ECEC access in regional Queensland. While historically this has been limited to Early Childhood Teachers, Certificate III and Diploma level roles are becoming increasingly difficult to fill.

C&K currently has 77 vacancies for permanent roles. Educator vacancies significantly outnumber leadership vacancies, and many of the longest-standing vacancies are within childcare services.

An analysis of C&K's 20 longest-standing vacancies between 2023 and 2026 found that:

- approximately half were located in regional or remote locations
- 12 were educator positions requiring Certificate III or Diploma qualifications
- the average time to fill was 319 days
- half required external recruitment.

This is not limited to individual vacancies or reduced capacity. C&K is seeing regional kindergartens having to close when staffing cannot be secured. Several regional kindergartens are now facing staffing shortages on a regular basis, with some having no relief staff available when an educator is absent.

Regional managers say the impact of workforce shortages is getting worse, with kindergarten closures in RRR occurring more regularly than ever before:

“In some areas, there are no relief staff. If a staff member is sick, then the centre has to close. We never used to close a C&K kindergarten. Then we started seeing closures due to not having a teacher. Now, we’re closing due to not having a co-educator.”

- Regional Manager

Unlike metropolitan areas, where providers can generally draw from a larger pool of qualified educators and teachers, workforce availability in rural and remote communities can depend on whether a suitably qualified person happens to live in or be willing to relocate to the community at a particular point in time. This can mean that a position is straightforward to fill in one regional community while another position, with similar qualifications and remuneration, remains vacant for many months.

Regional ECEC services compete for workers with schools, hospitals, government, mining, agriculture and other local industries. In some communities, mining and other industries can offer significantly higher remuneration and different working conditions.

Other barriers include:

- a lack of suitable or affordable housing
- limited relocation options
- transport and distance
- fewer local qualification pathways
- limited access to professional development
- professional isolation.

In Charleville, for example, C&K has experienced significant difficulty filling educator positions despite additional attraction and marketing efforts. A position was opened to both qualified and inexperienced educators, including the possibility of a traineeship with wraparound support. The role was filled in March 2026 but the trainee subsequently resigned, and the vacancy remained difficult to fill. The service has relied on flying in relief staff at considerable cost in order to remain open.

These experiences demonstrate that workforce policy needs to address the practical conditions that determine whether someone can take up and remain in a regional ECEC role.

Housing is a workforce issue

The lack of access to affordable and appropriate housing in regional and remote Queensland is a major contributor to ECEC workforce shortages.

An educator may be willing to relocate to a regional community but unable to find suitable accommodation. As educators earn modest wages, they can easily be out-priced in regional areas when rents surge and forced to commute long distances. C&K has seen cases where educators relocating to regional communities and subsequently left due to the lack of suitable housing.

C&K has purchased houses in two regional communities to support staff attraction and retention. C&K funds the capital cost of purchasing and furnishing these properties and leases them to employees at below-market rates, helping to reduce a significant practical barrier for staff who are willing to relocate to regional communities..

There are examples of regional communities finding practical solutions to workforce barriers. In Middlesbrough, a C&K childcare leader partnered with the town's major employer to secure access to 10 houses for educators, supporting recruitment and retention. This solution was enabled by the presence of a well-resourced major employer with a strong vested interest in ensuring local ECEC could operate at capacity. In regional communities without a comparable employer or access to these resources, locally driven solutions of this scale can be difficult to achieve.

These examples point to a role for government in supporting practical regional workforce solutions, including partnerships between ECEC providers, councils, employers and housing providers.

C&K encourages the Committee to consider successful local partnerships and identify what enabled them to succeed, including local leadership, collaboration, flexible funding and an understanding of the particular circumstances of the community.

Professional isolation

Professional isolation is significant issue in RRR communities, as educators and centre leaders have far fewer opportunities to access mentoring and professional learning. Professional development can also be difficult to access when releasing one educator from a small team means leaving the service short-staffed.

For some educators and teachers, particularly those working in small kindergarten teams, the pressure of doing so much with little professional support can feel like they are just keeping their heads above water. This results in many leaving ECEC services to work in local schools, or distance education.

It is important to note that there is a clear difference between meeting minimum regulatory staffing requirements and the workforce capacity required to provide high-quality, inclusive ECEC. Meeting a

ratio does not necessarily mean a service has enough people to meet the needs of the children in front of them.

As one regional manager put it: *the solution in many of these cases could be as simple as having another person on the floor*. An additional educator can make a substantial difference to a service's ability to:

- provide high-quality learning environments
- support children with additional needs
- enable educators to take breaks
- release staff for training and professional development
- cover unplanned absences
- provide mentoring to less experienced educators.

A small increase in workforce capacity can create resilience across the entire service and reduce the risk of closure. It can mean a teacher can attend professional development without leaving colleagues short-staffed, a leader can undertake educational leadership, or an educator can spend additional time supporting a child who needs it. Having three staff in a small kindergarten could mean that the service remains open if one staff member is off sick, ensuring children continue to receive their planned kindergarten hours rather than losing access altogether.

The struggle to recruit also means that many of the educators in these areas may have less professional experience, and would benefit most from the mentoring and supervision that is so challenging to access. Workforce policy should therefore consider not only whether services can meet minimum staffing requirements, but whether they have the capacity required to deliver quality, inclusion, professional development and service resilience.

Inclusion

C&K is seeing increasingly complex inclusion needs across its services, including children who present with significant needs but without a formal diagnosis. In regional and remote communities, these challenges can be amplified by long waits for assessment, limited access to specialists, travel requirements and the cost of accessing support. C&K supports an approach to inclusion that recognises functional need and barriers to participation, rather than relying solely on whether a child has a formal diagnosis.

The acute impacts of inclusion needs in RRR ECEC are also evident where children have complex medical needs. For example, where a child requires support such as PEG feeding, educators in regional services have to take on additional responsibilities that would typically be managed by health professionals. The issue is not that regional educators are unwilling to provide this support. Rather, the system needs to recognise the additional responsibility and workforce capacity required when specialist services are difficult to access due to their RRR location.

The Inclusion Support Program (ISP) is an important part of the Commonwealth's response. The Australian Government has committed a further \$54.8 million to the ISP in 2026–27, bringing total additional funding for the Inclusion Development Fund subsidy to \$114 million. However, funding alone does not necessarily create workforce capacity.

Many RRR kindergarten teacher directors report that even when funding is available to hire an Inclusion Support Assistant (ISA), it can be almost impossible to fill. Teachers pointed to pay and shorter shifts of only 4.75 hours as being the main factors behind the severe shortage:

“We regularly have to go without an Inclusion Support Advsiior (ISA) because we can’t find anyone in the region to fill it. Some days, we barely have time to go to the toilet,”

- Central Queensland Teacher Director

In sessional kindergartens eligible for the Queensland Government’s Kindergarten Inclusion Support Scheme (KISS) funding, almost half (47.5%) are in regional or remote Queensland:

REGION	BRANCH	AFFILIATED CENTRE	PERCENTAGE
SEQ	56	78	52.5%
Regional	59	52	43.5%
Remote	3	7	4%
TOTALS:	118	137	

South East Queensland (SEQ) – Brisbane, Moreton Bay, Redland, Logan, Ipswich, Gold Coast, Sunshine Coast, Noosa, Somerset, Scenic Rim and Lockyer Valley.

Regional Queensland – Inner Regional and Outer Regional locations outside SEQ.

Remote Queensland – Wujal Wujal, Weipa, Cloncurry, Cooktown, Mt Isa, Charleville, Dirranbandi.

There is also a broader system-capacity issue. Inclusion teams that support services across large geographic areas must continually triage competing needs. This is not solely a regional issue, but geographic distance can make it more difficult to reach RRR services efficiently and consistently. When an inclusion professional is travelling long distances to support one service, that capacity is not available elsewhere during that time.

The solution is not to reduce support to regional services. It is to ensure there is sufficient overall specialist capacity to meet demand, alongside flexible models that can work across large geographic areas.

Programs that address regional and remote challenges

The Commonwealth already provide programs that recognise the additional challenges faced by regional, remote and disadvantaged communities.

The Community Child Care Fund, for example, provides support to services facing barriers to participation, particularly in regional and remote areas, Indigenous communities and communities

experiencing disadvantage. Its Sustainability and Capital Support Grant can provide funding to help eligible services improve financial viability and remain open.

These programs are valuable and demonstrate recognition that some communities require additional support. However, the policy response needs to ensure these services have access to ongoing and predictable funding.

C&K recommends consideration of a dedicated supplementary funding mechanism over the current time-limited grant process. Policy should also distinguish between areas where there is lack of community demand for ECEC and where the community need exists but is not financially viable.

A service should not be considered unnecessary simply because it cannot operate according to the same financial model as a larger metropolitan service.

Recommendations

1. Establish a place-based approach to sustaining high-quality ECEC in rural, regional and remote communities

The Australian Government should establish a coordinated, place-based approach to planning and sustaining ECEC in rural, regional and remote (RRR) communities, recognising ECEC as essential community infrastructure.

This approach should consider the full lifecycle of a service - from planning and establishment through to workforce recruitment, inclusion, ongoing operation and long-term sustainability.

This should include:

- local population and enrolment patterns
- workforce availability
- housing
- transport and geographic isolation
- inclusion and complexity of need
- existing ECEC services
- the financial sustainability of the service.

Provisioning models should be sufficiently flexible to respond to the circumstances of individual communities, rather than relying on a one-size-fits-all approach.

The Australian Government should also work with state and territory governments and, where appropriate, local governments to reduce barriers where conventional market-based provision is not meeting need.

A national ECEC Commission could play a role in identifying priority areas, supporting flexible provisioning models and bringing governments and local stakeholders together to develop solutions for under-served communities.

Local ECEC providers and communities should be involved in planning and decision-making, ensuring that solutions reflect local workforce, housing, transport, population and service-delivery conditions.

2. Introduce sustainable and flexible operational funding for ECEC services in under-served areas

The Australian Government should establish an ongoing supplementary funding mechanism for ECEC services that are essential to their communities but cannot be financially sustained through enrolments and mainstream funding alone.

The funding framework should distinguish between a lack of community need and a structurally thin market where community need exists but the service is not financially viable.

Support should be predictable and proportionate to the structural costs faced by the service, rather than relying primarily on competitive, time-limited grant programs.

Not-for-profit providers should not be expected to indefinitely subsidise essential community services to compensate for structural funding gaps.

3. Develop a dedicated regional ECEC workforce response focused on attraction, retention and delivering high-quality and inclusive ECEC

The Australian Government should develop a coordinated RRR ECEC workforce strategy focused on attracting and retaining a qualified workforce and building the capacity needed to deliver high-quality, inclusive ECEC.

Workforce policy should recognise that meeting minimum regulatory ratios does not necessarily provide the capacity required for quality, inclusion, professional development or service resilience.

The strategy should address the practical barriers to recruitment and retention in RRR communities, including:

- housing
- training and qualification pathways
- mentoring and professional development
- access to relief staff.

Workforce initiatives should recognise the relationship between ECEC and the broader regional workforce: when families cannot reliably access ECEC, their ability to participate in employment is also affected.

The Australian Government should also support local partnerships between ECEC providers, local government, employers, housing providers and community organisations to address workforce barriers.

Workforce initiatives should be designed around the realities of small teams. In particular, government funding for professional development should recognise that an educator cannot always be released from a small regional service without backfill support.

4. Strengthen inclusion capacity in rural, regional and remote ECEC

The Australian Government should ensure inclusion investment supports the capacity of RRR ECEC services to respond to children's individual needs, including where specialist services and appropriately skilled educators are difficult to access.

Inclusion funding should be flexible enough to respond to functional need and local circumstances, rather than relying solely on formal diagnosis or the availability of a particular worker in the local labour market.

Government should recognise that funding an additional educator does not, in itself, create the workforce required to fill the position. Inclusion investment in RRR communities should therefore be complemented by measures that support recruitment, retention, mentoring and access to appropriately skilled inclusion professionals.

Funding models should also recognise the additional costs of delivering inclusion support across geographically dispersed communities, including travel, accommodation, backfill and paid release time.

Where medical, allied health or specialist services are less readily available, government should consider the additional capacity required of ECEC services and educators to support children and families while they wait for assessment, intervention or specialist assistance. In addition, consideration must be given to the expanding skill set required of educators to work collaboratively with external agencies or professionals.

Conclusion

Children and families living in rural, regional and remote communities should have the same opportunity to access high-quality early childhood education and care as children elsewhere in Australia.

C&K's experience across 94 RRR services shows that access is about more than simply having a service in a community. Workforce shortages, housing, professional isolation, limited specialist support and the financial pressures of operating in small or isolated communities all affect whether services can provide reliable, high-quality care.

For families, meaningful access means being able to choose high-quality ECEC that meets their child's needs without having to travel significant distances simply to access the quality or type of service they want. When financially unsustainable services are forced to reduce or cease provision, that choice can be lost.

Government investment in ECEC is important, but sustainable access requires more than new buildings and places. It requires the workforce, inclusion support and ongoing funding needed to keep services open and operating well. In RRR communities, this means funding and program settings need to be flexible enough to reflect the realities of thin markets, different service models and the additional costs of delivering ECEC across geographically dispersed communities.

Where there is a clear community need, government policy should support the continued provision of high-quality, inclusive and sustainable ECEC, even where standard funding models do not make a service financially viable. This is essential to ensuring children can access high-quality early learning and families retain meaningful choice about their ECEC.

C&K encourages the Committee to consider RRR ECEC as essential community infrastructure and consider solutions. Where there is a clear community need, government policy should support services to be accessible, high-quality, inclusive and sustainable over time. C&K would welcome the opportunity to discuss these issues and possible solutions in more detail with the Committee at its convenience.

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The Creche and Kindergarten Association Limited
257 Gympie Road, Kedron Qld 4031

candk.asn.au



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