



Briefing Paper

Early Childhood Education and Care 2025-2026

The Isolated Children's Parents' Association of Australia, ICPA (Aust), is a voluntary, apolitical, national parent organisation working on behalf of our members for equity of access to appropriate education for children living outside of metropolitan areas.

Access to quality early childhood education and care (ECEC) is the most important educational opportunity we can give our children. The first five years in a child's life are the most important for creating opportunities to thrive and be successful in later life. All children, regardless of where they live, should be able to access high quality early childhood education and care.

Early education is a vital tool in all children's development. Along with being a foundation for learning, it is how they build confidence, interact with others and learn important social and emotional skills. Accessing affordable early childhood education and care for families living in rural and remote regions has never been more concerning and is proving beyond the reach of many due to:

- lack of available services
- difficulty attracting and retaining staff
- inflexibility of service delivery programs
- high out-of-pocket costs
- uncertainty and inadequacy of funding for Mobile Early Childhood Services.

SUMMARY

Rural and remote early childhood education and care issues fall into three broad categories.

1. Universal Access to Early Childhood Education

- The Commonwealth Government is committed to [Preschool Reform Agreement 2022-2025](#) but is yet to negotiate and release their ongoing funding program beyond 2025.
- In *A Path to Universal Early Childhood Education and Care* the Productivity Commission defined universal care as making quality services accessible to all children and families and agreed that achieving it will require tackling availability, affordability and inclusion gaps.
- The Federal/State agreement to fund universal care beyond 2025 needs to consider the unique circumstances in rural and remote Australia that require specific guidelines for funding to be used effectively including:
- Affordability of and access to an early childhood education continues to impede the participation of some rural and remote children.



- The extension of Assistance for Isolated Children (AIC) Distance Education (DE) Allowance to include three and four-year-olds enrolled in an approved pre-compulsory early childhood education program would improve access and affordability.
- Ongoing funding agreements could designate funding be available for children who meet the criteria for the geographically isolated AIC DE in the year before school to make that year of their early childhood education affordable.
- Flexibility in the use of school buildings and flexibility in the qualifications of staff would expand the number of accessible early childhood education programs.

2. Mobile Early Learning

For some rural and remote families **Mobile Early Learning Services** providing a playgroup style program is often the **ONLY** early childhood service accessible. There are not enough of these services to provide effective ECEC for children who live in geographically isolated areas. Geographically isolated families have been without access to any early learning childhood services prior to preschool for more than a decade. Mobile early learning services could fill that gap if they were to be adequately funded for an extended period.

Playgroup Australia published ***Causal Inference in the Australian Early Development Census (AEDC) - Analysis of the impact of ECEC attendance on Child Development 2024***, detailing research from the University of South Australia showing:

- Playgroup attendance reduces the risk of being developmentally vulnerable on one or more domains by 40%, and developmentally vulnerable on two or more domains by 50%, a result similar to preschool.
- Attending any intervention, (i.e. preschool, playgroup or day care) reduces the risk of developmental vulnerability, but a combination of playgroup and preschool reduces the risk the most, by 60% for developmentally vulnerable on one or more domains and by 70% for developmentally vulnerable on two or more domains.
- The intervention/s which shows the largest benefit is attending playgroup and preschool together, which increases the chances of being developmentally on track on all five domains by 1.7 times.
- Preschool on its own and playgroup on its own increase the chances of being developmentally on track on all five domains by 1.4 times. Day care increases the chances by a more modest 1.2 times.

ICPA (Aust) believes that consistent delivery of mobile playgroup style ECEC programs to rural and remote families would be extremely beneficial to children meeting developmental milestones in the years before school.

Funding of rural and remote Mobile Early Learning decreased under funding restructures and continues to be uncertain so very few mobile services operate across remote and very remote Australia.

- No provisions for the establishment of new mobile early learning services are evident.
- To guarantee continuation of service a funding runway of more than 2 years is required
- Some rural and remote families have NO access to an early childhood service.

3. Child Care

A myriad of issues affects families educating and caring for their children in these areas. ICPA members continue to raise concerns about the inappropriateness of current delivery models for geographically



isolated families and difficulties associated with accessing early childhood education and care in rural and remote areas.

- The Commonwealth Government's In Home Care (IHC) program is part of the childcare package and could provide flexible care that supports families' workforce participation and child care requirements where other options are not available or appropriate.
 - IHC can be the ONLY childcare option for many rural and remote families.
 - IHC program guidelines are inflexible and consistently disadvantage rural and remote families. Distance education school rooms require a supervisor. IHC guidelines specifically preclude receipt of the Child Care Subsidy for supervision of distance education.
 - Workforce participation of rural and remote families with children on distance education is not supported by the IHC program.
- Changes to criteria of Working Holiday Maker and Temporary Work (Skilled) Visas could help alleviate workforce shortages.
- A complete National Working with Children Check would improve the ease of transitioning early childhood education and care staff between States/Territories and would streamline and strengthen its purpose of protecting vulnerable children.
- Staffing and employment incentives and pay package parity

ISSUE 1 - Universal Access to Early Childhood Education

Preschool Reform Agreement 2022-2025

The Federal Government is committed to the Preschool Reform Agreement 2022 – 2025 and recognises that early learning is vitally important, however accessibility and affordability is a barrier for some geographically isolated families for whom distance education is the only option. The ICPA (Aust) seeks **continuation** of the Preschool Reform Agreement funding of \$1.6 billion over four years from 2021–22 to be delivered to the states and territories through a new four-year funding agreement, with ongoing funding of \$589.0 million per year (indexed) from 2025–26.

The ICPA (Aust) seeks **amendment** of the Preschool Reform Agreement to include the Geographically Isolated Assistance for Isolated Children Distance Education Allowance for the year before children start compulsory schooling.

A myriad of issues affects families educating and caring for their children in these areas. The ICPA members continue to raise concerns about the inappropriateness of current delivery models for geographically isolated families and difficulties associated with accessing childcare and education in rural and remote areas. Specialised model/s need to be established for rural and remote families; programs designed to address the unique disadvantages and needs associated with caring for and educating children in geographically isolated locations.

RECOMMENDATION

- The establishment of a stand-alone 'Rural and Remote Early Childhood Section/Branch within the Department of Education, encompassing all early childhood education and care such as preschools and kindergartens, mobile early learning services, Long Day Care and In Home Care to provide for the unique needs of rural and remote families.



Extension of Assistance for Isolated Children (AIC) Distance Education Allowance

The extension of Assistance for Isolated Children (AIC) Distance Education Allowance to include three and four-year-olds enrolled in an approved pre-compulsory early childhood education program would improve access and affordability as per Recommendation 6.6 of the Productivity Commission's final report - ***A path to universal early childhood education and care.***

Three to four-year-old students enrolled in an approved pre-compulsory distance education program need to be supported while participating in their essential transition to formal schooling programs. The Assistance for Isolated Children (AIC) Distance Education Allowance should be extended to include these children as no other financial assistance is available for this cohort.

Australian Government early childhood policy is guided by the clear evidence from international research showing that by the age of six, significant social and developmental gaps can emerge in children's functioning and achievement. Differences in cognitive, non-cognitive, and social skills at this stage are proven to be strong predictors of later academic success, workforce participation and broader life outcomes.

The delivery and accessibility of early learning programs for children in the year prior to starting formal schooling has never been stronger. This can be attributed to the Federal Government's commitment to the Universal Access to Early Childhood Education Program. Yet despite this, The ICPA (Aust) remains concerned about the affordability of accessing programs for those living in rural and remote regions and the need for a more equitable delivery.

Future funding agreements with each State could designate funding and stipulate a requirement that each geographically isolated child completing the State approved preschool distance education program in the year before starting school, be eligible for funding to subsidise classroom setup and implementation costs and thus aid in the affordability and accessibility of their agreed 600 hours of early childhood education.

ICPA (Aust) believes that the lack of access to affordable early learning for children living beyond metropolitan boundaries is a key factor contributing to the gap in educational outcomes between rural and remote students and their peers in larger centres. This disparity is often linked to undiagnosed learning difficulties in the early years, coupled with very limited opportunities for children to socialise and interact with others.

All States and Territories offer early learning programs delivered by distance education and this is the ***only*** avenue available for many families living in rural and remote areas. Families wanting to access these programs are bearing the entire cost associated with administering, resourcing and teaching the lessons.

Across Australia, around 200 children access recognised 3-4-year-old programs in their homes through distance education, which today includes a mixture of hands-on play-based learning and teacher-led structured lessons which involve the use of technology for communication.

As with every other early childhood program for three to four-year-olds, these distance education lessons are designed to help children transition from home to school. The children need a designated learning space in which to learn school behaviours, such as the ability to sit at a desk for enough time to complete a task, to use the technology required for distance education, to appropriately interact with their peers and teacher and to understand the formal concept of school.



It is vital that young children have opportunities to socialise face-to-face with other children of their age. This often requires families to travel great distances to attend school functions which provide an opportunity for the children to participate in group activities, such as sport, practise conversation skills and socialise with their peers. These functions are also valuable in providing teachers and other professionals with both group and individual evaluation and diagnostic opportunities of these young learners.

Families undertaking approved distance education programs are effectively blocked from any funding to assist with meeting the costs of program delivery, setting up their schoolroom and accessing school functions. These students are deemed ineligible for the Assistance for Isolated Children, (AIC), Distance Education Allowance as 3-4-year-olds taking part in these early learning programs are not recognised by the Australian Government and no payment is available through the Child Care Subsidy (CCS) as these children are still in their parents' care.

RECOMMENDATION

- Extension of the Assistance for Isolated Children (AIC) Distance Education Allowance to include 3-4-year-olds undertaking an approved pre-compulsory distance education program.

More facilities for preschool education in rural and remote communities.

The flexibility of use of school buildings in small rural towns to include preschoolers, increased preschool distance education places and more facilitators are required to ensure that all students have access to the required 15 hours per week preschool education.

Where qualified Early Childhood teachers are difficult to access, facilitators should include qualified primary school teachers and diploma-qualified educators. Ensuring children are school-ready is critical, particularly as programs such as Early Learning Languages Australia (ELLA) and Early Learning STEM Australia (ELSA) are now part of the preschool curriculum. Without access to preschool rural and remote children risk starting school already behind their urban peers.

RECOMMENDATION

- Dispensations be made to improve access to preschool facilitators and school facilities in rural and remote areas.

ISSUE 2 - Mobile Early Childhood Services in Rural and Remote Areas

Mobile early childhood services are often the only exposure to such educational opportunities for children and families in small rural and very isolated communities. For many years they have delivered essential social contact, professional advice, early learning programs and development review for children, while also supporting parents. In many cases, these mobile services provide the only face to face interaction children have with like aged peers.

To sustain this vital service, flexibility and certainty of funding is essential. Ongoing, adequate investment is needed to not only maintain and encourage existing mobile services but also to establish new service in geographically isolated areas where none currently exist. Without this support, children in rural and



remote communities risk missing the critical socialisation and early learning experiences their urban peers take for granted.

Key issues requiring urgent attention include:

- Mobile early learning services are transitioned from Budget Based Funding into other programs with consideration of this unique role and service delivery.
- Introduction of funding provisions that make the service attractive to establish and maintain for longer periods of time.
- Continuation of existing funding but with extended periods of time eg 2 years funding to be extended to 5 years.

RECOMMENDATION

- Mobile early learning services in rural and remote areas be supported with adequate and secure funding.

ISSUE 3 – Child Care

In Home Care (IHC)

Families living in rural and remote Australia, who can provide accommodation, previously found the IHC program to be an affordable option when it came to accessing childcare. However, In Home Care is no longer meeting the needs of families, with the following concerns continually raised by our members:

- That the IHC program needs to remain affordable and accessible for all rural and remote families who have no other childcare options.
- In rural and remote areas where face-to-face schooling is not available, children rely on distance education programs such as School of the Air. While lessons are delivered remotely by qualified teachers, no teacher is physically present with the child. Families must therefore provide a supervisor—often a parent, governess, or tutor—to guide daily learning, keep students on task, and support lesson completion. Without this supervision, young learners cannot effectively engage with distance education. Fees charged by IHC providers are rising and changing often without explanation.
- The In-Home Care sector data being removed from major research and reports for Government use. Figure 7 on page 19 of the final Productivity Commission report *A path to universal early childhood education and care* shows out of pocket expenses as a share of family after tax income but it excludes In Home Care services. ICPA (Aust) request separate collection and analysis of geographically isolated In-Home Care data to inform future reform of the IHC program and hourly rate cap with accurate and specific data.



RECOMMENDATIONS

- That an In-Home Care (IHC) program, or sub-program thereof, be established specifically for rural and remote families.
- That amendments be made to IHC Guidelines to cater for the needs of rural and remote families.
- That Child Care Subsidy decisions make specific dispensation or consideration of IHC circumstances.
- That a specific IHC program be established for rural and remote families who have to provide board and lodging for their educators to reduce families' gap payments for IHC.
- That a flexible approach be taken with respect to the required qualifications for rural and remote teachers/educators.
- That IHC educators be allowed to supervise distance education where face-to-face schooling is not available as teachers are not present to look after the children in distance education schoolrooms.
- A review of and structure provided around the fees charged to families and educators by IHC providers.
- The amendment of the IHC National Guidelines to allow graduates with a Certificate in Early Childhood Education, or equivalent, who are less than the age of 18 years to be eligible for positions of employment through the IHC program.

Funding for infrastructure and operational costs ECEC in rural and remote areas.

Childcare services under the Child Care Subsidy Model are capped at \$200,000 per year in CCCF Sustainability funding, even when their operational shortfalls are far greater. Applying the same cap to regional, remote, and very remote services is inequitable. Remote and very remote services face significantly higher costs—such as staff housing and pay parity loadings needed to attract and retain qualified teachers—yet have no greater access to long-term funding. With limited eligibility for the CCCF-Restricted pool, these services are left without a fair mechanism to meet their real costs, placing the future of early learning in the most disadvantaged communities at risk.

There are currently limited opportunities for community based early childhood services to gain the required capital funding for significant infrastructure needs to meet demand in remote communities. This affects rural, remote, and geographically isolated children, because they end up in “childcare deserts” where early childhood services are not provided. The cost of infrastructure in remote locations is significantly higher than regional and metro settings yet there is no appropriate funding mechanism.

RECOMMENDATION

- Additional funding to support the viability of remote and very remote centre based early childhood education.

Short term childcare services

There are short term childcare services available to some rural and remote families who cannot afford them as they do not attract the Child Care Subsidy through Services Australia.



Case Study: In South Australia, the Remote and Isolated Children's Exercise (RICE) provide an Outback Childcare program that enables families to receive short-term childcare in the family home when they need childcare during busy times or if they need respite or emergency care.

Currently this program does not attract any Government support or funding, resulting in RICE having to rely on community donations or asking families to pay an unsubsidised, full rate hourly fee for the service.

The Child Care Scheme (CCS) can only be received when a child is enrolled through a centre-based childcare facility or through the In-Home Care (IHC) program which is currently unavailable for RICE member families due to provider limitations within South Australia.

The cost to access childcare without the CCS is an unaffordable option leaving families to try find other ways to manage childcare needs. Families living in rural and remote areas have no real option of childcare like community creches, nearby centres or family or friends who could step in. Living on a remote cattle station 1000km from Adelaide makes asking your mum, sister or best friend to step in and help for the day unpractical and often impossible.

With the recent report that indicated the Federal Electorate of Grey (which encompasses 90% of South Australia, including all its rural and remote areas) has the worst access to childcare in the country, just finding a facility, let alone accessing it, is a difficult undertaking. The Outback Childcare service needs to be made affordable for families as well as being viable for RICE to manage and administer.

If the criteria for eligibility for the CCS were to consider the needs of rural and remote families, therefore allowing them to access early childhood education and care through the IHC program, then the RICE based Outback Childcare and similar services would become more affordable and accessible for families in times of need.

RECOMMENDATION

- Consideration of the uniqueness of childcare needs and childcare services in rural and remote communities regarding these families accessing the Child Care Subsidy.

Family Day Care in rural Australia

ICPA (Aust) fully support Recommendation 5.3 from the Productivity Commission's final report – *A path to universal early childhood education and care* to allow two-family day-care services to be run in a single venue in regional and remote Australia.

Small rural and remote towns across Australia struggle with the lack of access to childcare. These towns are too small to attract a private provider who offers Centre based long day care as the demand profile makes it unviable.

ICPA (Aust) seeks a small inclusion to current legislation to enable more than one approved family day care educator to care for children in an approved family day care 'in-venue' location. This provides a cost-effective solution to the government to cover childcare demand in small disadvantaged rural communities



where no appropriate childcare exists. This change could provide essential and effective support to address the additional early childhood education challenges faced by rural and remote communities.

RECOMMENDATION

- An inclusion to the Education and Care Services National Regulations (2011 SI 653) - Regulation 124 (NSW Legislation) to enable two approved family day care educators to care for children in an approved family day care venue in disadvantaged rural and remote areas of Australia where there is an absence, or limited supply, of Centre Based Day Care or Family Day Care services.

Working with Children Check

The process of obtaining the Working with Children Check (WWCC) in each State or Territory is expensive, slow and impedes early childhood workers, tutors and teachers who wish to help various families interstate. A national WWCC certification would help resolve this and was recommended in the Royal Commission into Child Abuse Final Report. [Final Report - Recommendations](#)

RECOMMENDATION

- That a National Working with Children Check (WWCC) certification be established as a matter of priority to ensure early childhood carers, teachers, educators and those assisting with education particularly in rural and remote areas can transition across states/territories more smoothly.

Working Holiday Maker Program: Working Holiday Maker Visas and the Shortage of Distance Education Tutors and Nannies in Rural and Remote Australia

Due to geographical isolation, there is a distinct lack of Australian workers, including qualified childcare and educational workers, who are willing to undertake work where remoteness is an issue. It is extremely difficult to attract and retain Australian child carers, home tutors (distance education tutors) and teachers to rural and remote areas.

Frequently, the only people prepared to travel and work in remote areas are overseas travellers looking for a cultural exchange experience and our rural and remote members rely on the employment of overseas workers to fill these positions. While these workers are a valuable resource, under the conditions of their visas they are not eligible for a second- year visa if they undertake employment in childcare in rural and remote areas.

Plant and animal cultivation, fishing and pearling, tree farming and felling, mining and construction are currently the specific fields of work that qualify an applicant for a second-year visa.

The Second Year Working Holiday visas 4170F2 and 4621F3, are not available for distance education tutors/teachers or nannies from overseas in rural and remote areas, despite being rural work. However, with recent developments in regional areas of Australia, second-year visa applicants could be accepted there, on the 462 Working Holiday visa, if having worked for six months in agriculture, tourism or hospitality the previous year.



Also, in regional areas of Australia, if working for six months for one employer on a Working Holiday Maker visa 417, permission can now be granted to stay another six months with that employer. If childcare or distance education supervision were eligible as Specified Work, this would help provide workplaces for distance education tutors in other rural and remote areas if the same conditions apply as for other second-year visa seekers. In the distance education schoolroom, 12 months' support would be more beneficial than just six months to support the importance of continuity and consistency.

At times, overseas couples wish to work on a rural or remote property; both would enjoy the cultural experience and one partner is able to work with the livestock, orchards etc., however the other partner may wish for a less physical type of work. They are unable to work in the distance education schoolroom or assist with childcare on the property to gain eligibility for a second-year visa as this is not on the 'Specified Work' list.

Making the second-year visa accessible to nannies and distance education tutors under agriculture would provide a better solution for rural families seeking to employ staff and a better experience for overseas workers who wish to remain with one employer.

Temporary Work (Skilled) Visa (subclass 457)

This visa was replaced with the new Temporary Skill Shortage (TSS) (subclass 482) Visa in March 2018 which supports businesses in addressing genuine skill shortages, particularly in rural and remote areas. Visa applicants are now required to be sponsored by a business up to two or four years as per their specified skill. Skilled Early Childhood teachers, Primary and Middle School teachers, Private Tutors, Regional Education Managers and Child Care Centre managers are all on the approved occupation list.

There is a real shortage of people willing to fulfil Distance Education supervisor/tutoring roles. If qualified teachers were happy to work with Distance Education students in remote classrooms, it would be an excellent option, however more often it is a skilled worker such as a nanny or governess who is willing to accept Distance Education opportunities. It would be extremely beneficial if nannies and governesses could be added to the TSS Occupations List and private tutors and teachers could then be approved for distance education classrooms.

¹ <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/work-holiday-417/specify-work>

² <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/work-holiday-462/specify-462-work>

RECOMMENDATION

- That teachers, Distance Education tutors and nannies be added to the current 'Specified Work' list for Working Holiday Visas so they can assist with childcare and education for rural and remote families.

Staffing and employment incentives and pay package parity

For many years Education Departments have been aware of the need to provide pay and incentives to attract and keep teaching staff in rural and remote locations. We now need the same attention paid to attracting and retaining staff in the Early Childhood sector. In very remote areas, access to housing or subsidised housing can mean the difference between having an operational centre or not. Rural and remote areas need assistance to attract educators because our children deserve a 'good start' too.



Rural and remote ECEC centres are losing university trained early childhood educators to the school system where the pay and conditions far outweigh that of long day care centres, yet we know how important those early years are. These educators are working with children during their years of greatest development, yet the system is not prepared to pay or reward them accordingly. Pay parity of Early Childhood Teachers is a significant issue. An Early Childhood Teacher completes a four-year degree course. If they elect to work in the public school system in a NSW rural and remote location, the additional benefits they would get compared to working as an Early Childhood Teacher would include:

	Childcare	School
Base Salary	94,478.80	157,842
Directors Allowance	7,745.92	
Educational Leader Allowance	4,253.32	
Recruitment bonus		20,000
Rural & remote relocation support		8,000
Rural Teacher Incentive (Includes value of rental subsidy)		25,000
Stamp Duty relief (not paid if rental subsidy paid)		
Retention benefit		5000
Experienced Teacher Benefit		10,000
Climatic Allowance		3000 (approx.)
Additional Personal leave days		
Additional Annual leave value in \$ terms		26,307
TOTAL	106,477.24	255,149

The table above demonstrates the not inconsiderable salary difference and contributes to the ECEC worker shortage for centre-based care in rural and remote Australia. Early childhood services are significantly limited in their budgets to make up this gap. It is important to find long term solutions to address pay parity of Early Childhood Teachers in rural and remote locations to ensure recruitment and retention of educators is achieved.

Federal Government budget top ups, whilst appreciated, then create a situation when these top up payments are finished the Early Childhood Centre, in continuing with increased wages, has no choice but to pass this increase onto the parents via the fees.

RECOMMENDATION

- Incentives and structures which allow Early Childhood educators to work in rural and remote areas without disadvantage in comparison to their urban colleagues.
- That pay package parity of Early Childhood Teachers in rural and remote locations across all Early Childhood Education settings be addressed.