

Increasing Women's Labour Force Participation

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Melbourne Economic Forum - 6 December 2022

How to increase women's labour force participation?



How to organize (child)care work?

Outcomes of the Jobs and Skill Summit:

Promoting Equal Opportunities and Reducing Barriers to Employment

Complementary existing commitments

- Increase Child Care Subsidy rates from July 2023 and raising the maximum family income threshold
- A Productivity Commission review of the childcare sector and an Australian Competition and Consumer Commission inquiry into childcare prices

Outcomes of the Jobs and Skill Summit:

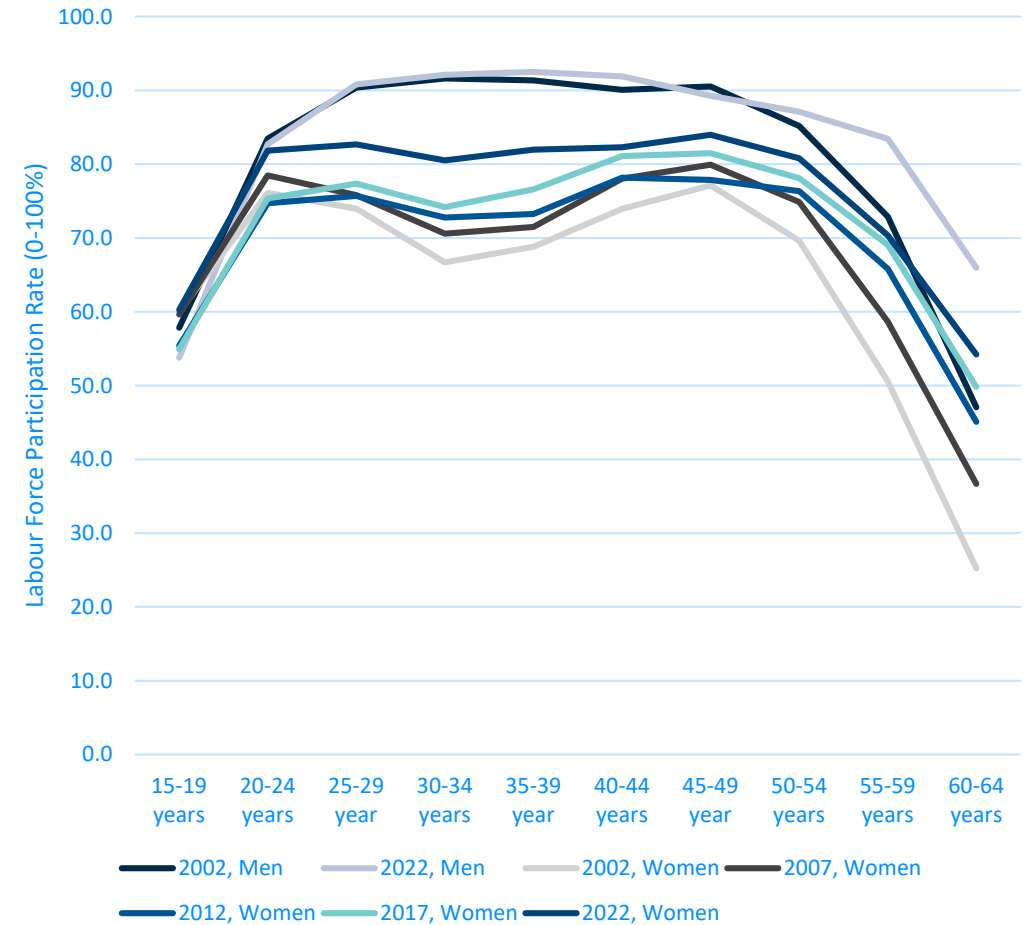
Promoting Equal Opportunities and Reducing Barriers to Employment

Areas for further work

- support better outcomes across the early childhood education and care (ECEC) system, with a particular focus on workforce shortages
- a long-term vision for early childhood education and care reform to better support parents' workforce participation as a national priority

Labour Force Participation

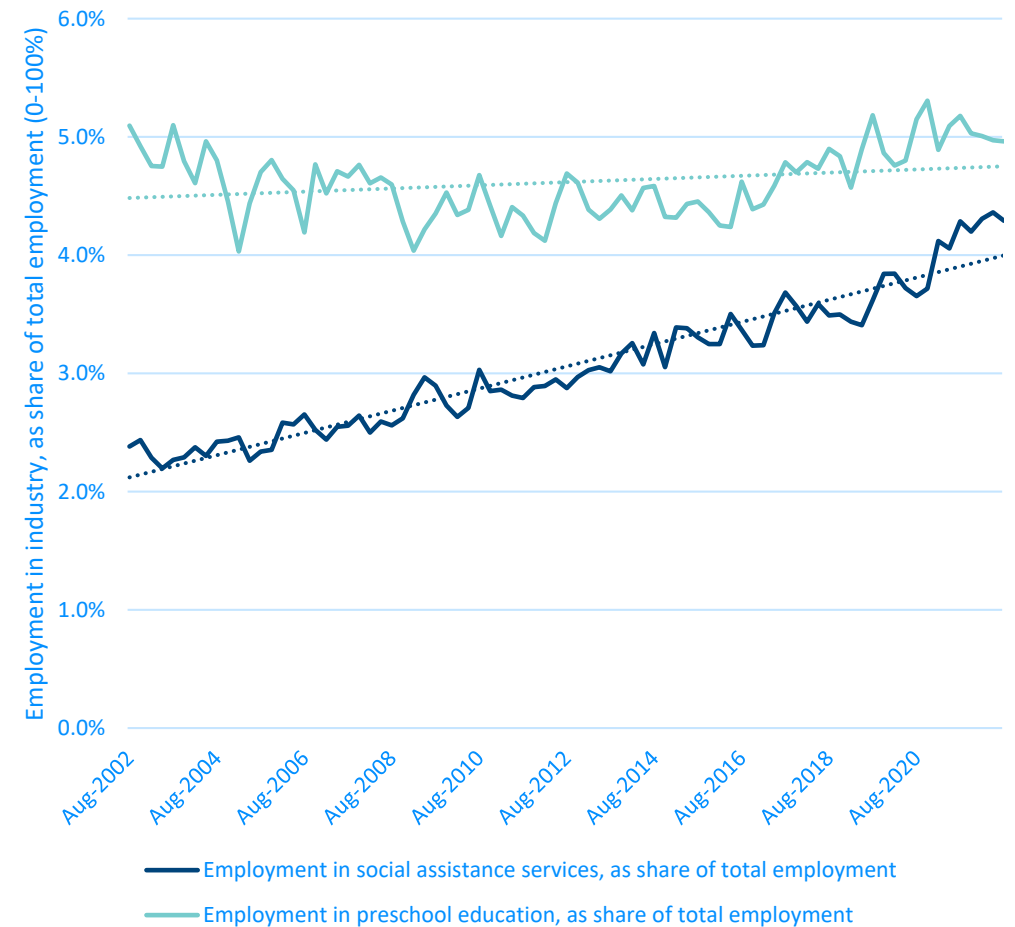
Participation rates by age and sex,
2002 to 2022



Source: Australian Bureau of Statistics (October 2022) 'Table 01. Labour force status by age, social marital status and sex' [data set], Labour Force, Detailed, Australia, accessed 03 Dec 2022

The size of the childcare sector

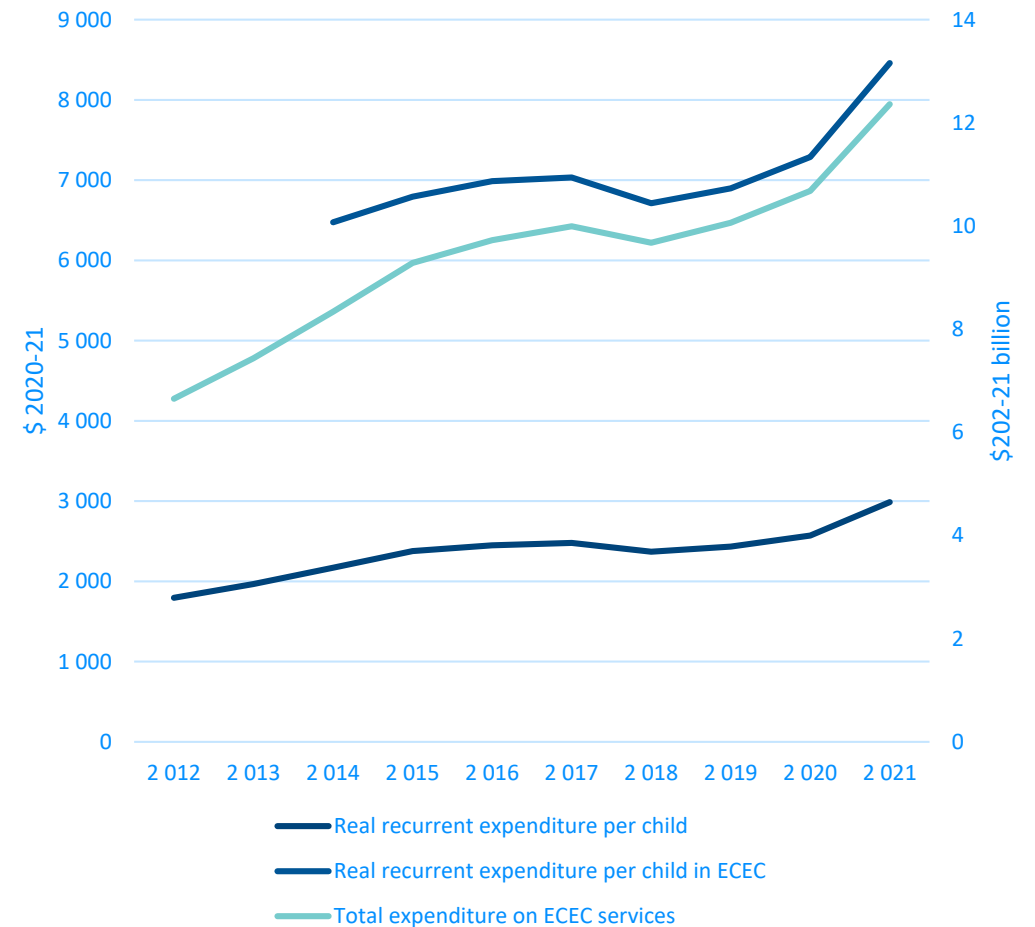
Employment in social assistance services, as share of total employment; 2002 to 2022



Source: Australian Bureau of Statistics (October 2022) 'Table 06. Employed persons by Industry sub-division of main job (ANZSIC) and Sex' [data set], Labour Force, Detailed, Australia, accessed 03 Dec 2022
Notes: Data is based on ANZSIC and includes employment in ANZSIC code 80, 87 and overall.

Subsidies in the sector

Real Australian, State and Territory recurrent government expenditure on ECEC

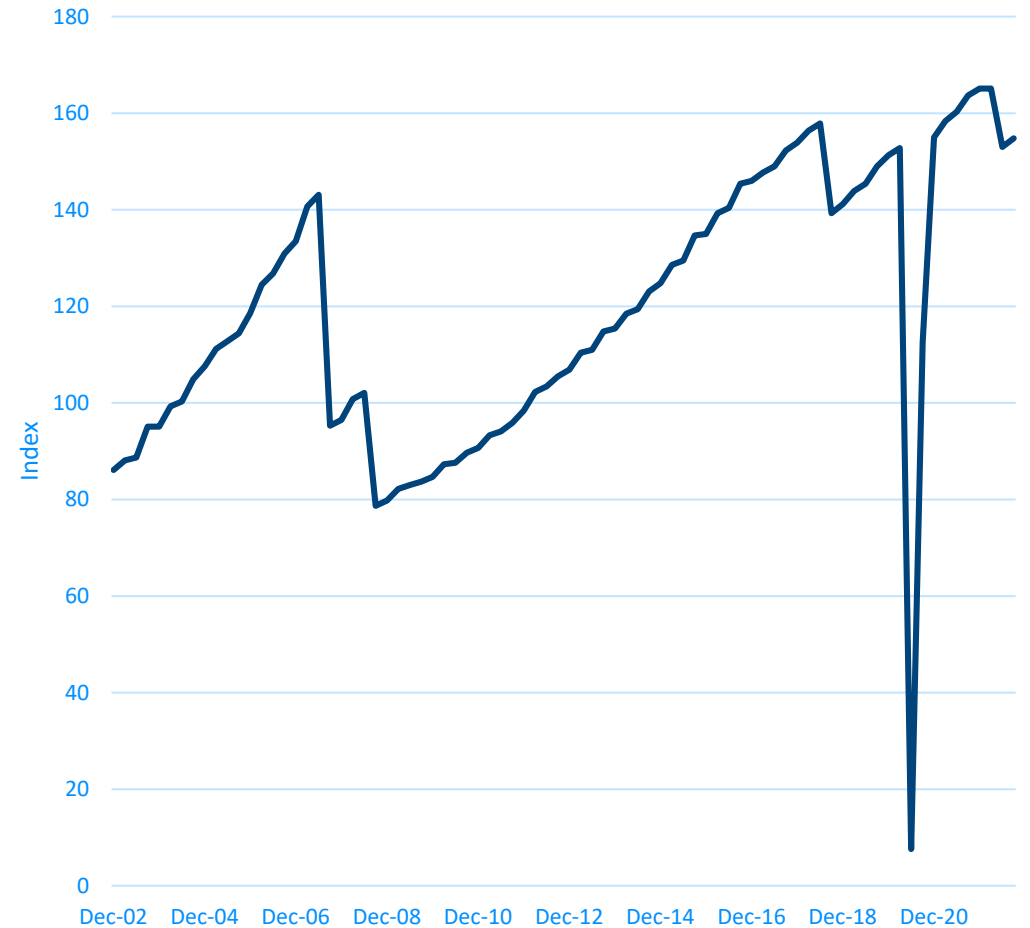


Source: Productivity Commission (June 2022), Report on Government Services 2022, PART B, SECTION 3 Early childhood education and care, Tables 3A.35 and 3A.36, accessed 04 Dec 2022

Notes: Includes administration expenditure, other expenditure on service provision, financial support to families and one-off, non-capital payments to peak agencies who support childcare and preschool service providers. Adjusted to 2020-21 dollars (i.e. 2020-21=100) using the General Government Final Consumption Expenditure (GGFCE) chain price deflator. Children in ECEC includes children enrolled in Australian Government CCS approved childcare services aged 0–12 years (as at March quarter of financial year) and children enrolled in a preschool program within a preschool service (as at August of financial year)

Cost for families

Consumer Price Index (Weighted Average of Capital Cities) - Child care



Source: Australian Bureau of Statistics (September Quarter 2022) 'TABLE 7. CPI: Group, Sub-group and Expenditure Class, Weighted Average of Eight Capital Cities' [data set], Consumer price Index, Australia, accessed 03 Dec 2022

Lack of coverage in many areas

Deserts and oases: How accessible is childcare in Australia?

- 35% of Australians live in areas with more than 3 children per childcare place
- That goes up to 61% in regional areas
- Childcare places per child highly correlated with socioeconomic advantage of area
- Within major cities: higher average fees, greater supply

Source: Hurley, P., Matthews, H., & Pennicuik, S. (2022). Deserts and oases: How accessible is childcare? Mitchell Institute, Victoria University.

Workforce is poorly paid

Children's Services Award

Level 3.3, 2 years experience: \$26.42/hour or \$1004/week

Level 6.9, 2 years experience: \$39.52/hour or \$1501.80/week

	CBDC	FDC	IHC	OSHC	VAC	Total
Award	57.1	17.7	23.6	68.9	69.4	57.8
<=10% above	25.5	4.0	11.5	12.9	13.1	20.9
10-25% above	5.9	1.5	4.3	5.0	4.6	5.4
>25% above	2.2	2.4	4.3	0.9	0.9	1.9
Don't know	9.2	74.6	56.4	12.3	12.0	14.0

Source: Social Research Centre (2022), 2021 Early Childhood Education and Care National Workforce Census, Table 5, Melbourne.

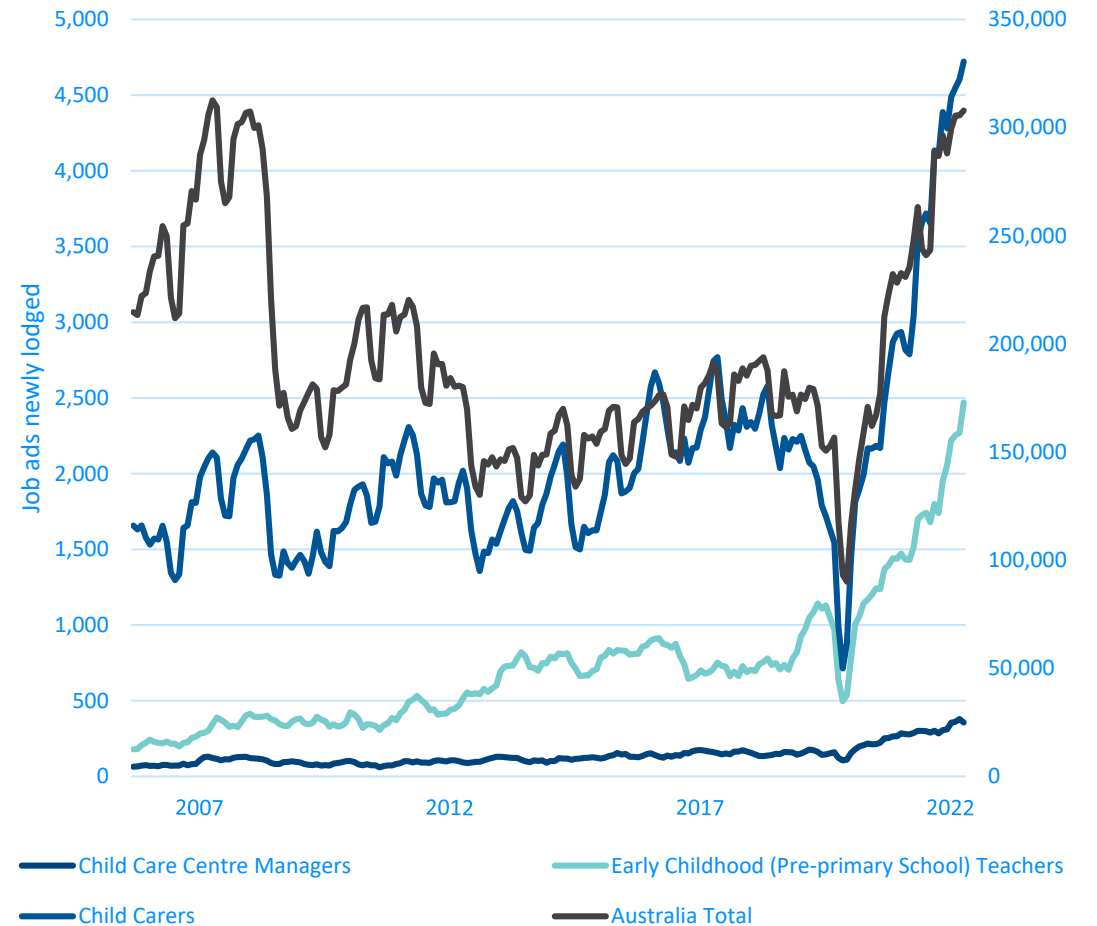
Notes: CBDC = Centre-Based Day Care; FDC = Family Day Care, IHC = In-Home car; OSHC = Outside School Hours Care; VAC= Vocation Care. Data refers to June 2021.

Need for workers

- **ECEC National Workforce Census (2021)**
 - 23% of workforce: tenure < 1 year
 - 7% <1 year experience in the sector, 26% 1-3 years
- **National Children's Education and Care Workforce Strategy Report (Sept 2021)**
 - 11.7% of services waiver for staffing requirements
 - declining enrolments (diplomas) or intentions to enter preschool sector (ITE)
- **Jobs and Skills Australia Projections next five years:**
 - 21,800 additional (11%) childcarers, early childhood teachers and childcare centre managers
- **HESTA: state of the sector 2021 ECEC workforce insights**
 - 18% of workforce plans on leaving sector within the year

Workforce shortage

Internet vacancy index



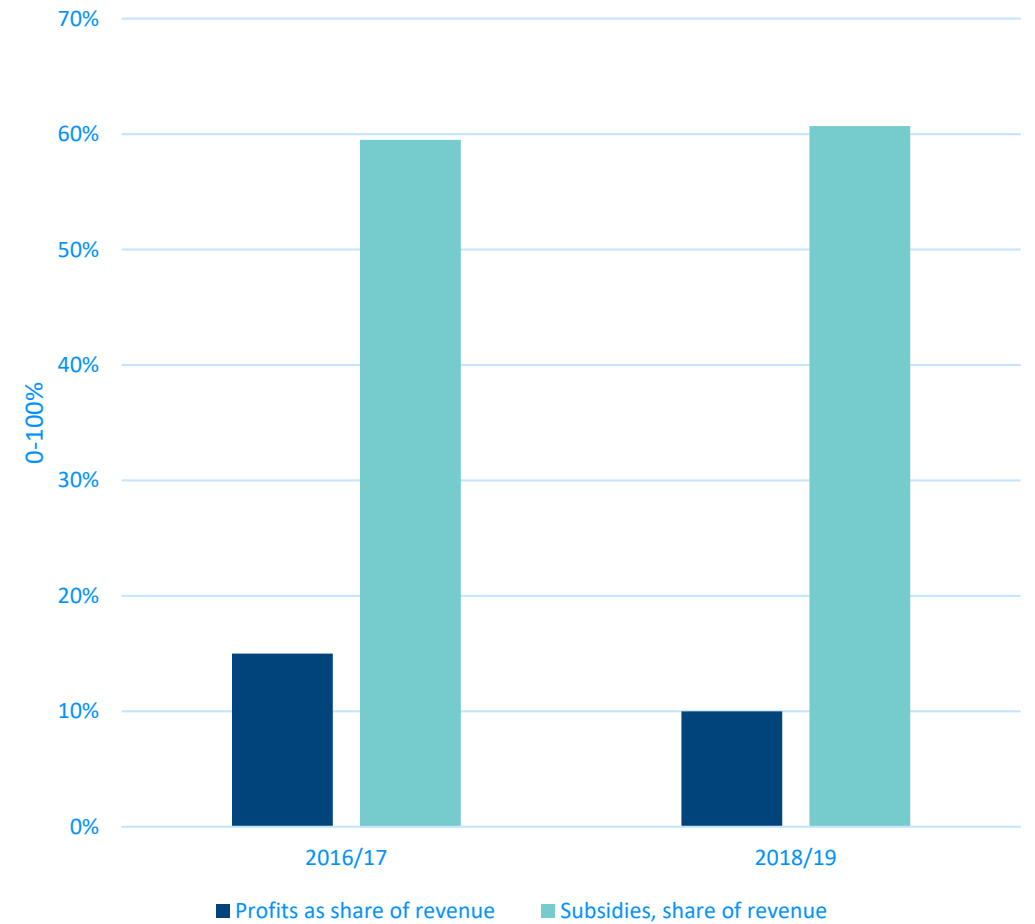
Source: National Skills Commission (2022), IVI DATA Detailed Occupation March 2006 - September 2022, Latest release 23 Nov 2022, accessed 03 Dec 2022.

Notes: IVI data count only job advertisements newly lodged on the SEEK, CareerOne and Workforce Australia online job boards.

Workforce shortage



Profits versus subsidies



Source: J. Rob Bray et al. (2021), Child Care Package Evaluation: Final report, Chapters 9.1.2 and 9.3.1. Australian Institute for Family Studies, Melbourne. Own illustration.

- 1) High government expenditure
- 2) High expenses for families
- 3) Still: Lack of access in some areas, sector operates below capacity in others
- 4) Still: Poor pay for workforce, staff shortages
- 5) In an overall profitable industry?

→ is private for-profit market propped up by large subsidies the right delivery model?

→ At a proposed 90% subsidy- level, we should be thinking about public provision just as in the school sector