

3 October 2025

Committee Secretary
Senate Education and Employment Committees
PO Box 6100
Parliament House
Canberra ACT 2600

Via email: eec.sen@aph.gov.au

Dear Secretary,

I welcome this opportunity, as the NSW Advocate for Children and Young People, to provide feedback to the Education and Employment References Committee regarding the quality and safety of Australia's early childhood education and care system.

At the heart of the early childhood education and care sector, the safety, rights, wellbeing and dignity of our littlest learners must be our first priority. All children deserve high-quality services that prioritise providing a safe, nurturing and developmentally enriching experience above all else.

To achieve this, early childhood education and care urgently needs system reform and stronger stewardship, more independent oversight, robust regulation, and accountability to families.

The role of the Advocate for Children and Young People

Established under the Advocate for Children and Young People Act 2014, the Advocate for Children and Young People is an independent statutory appointment overseen by the Parliamentary Joint Committee on Children and Young People. The Advocate promotes the safety, welfare and wellbeing of children and young people aged 0-24 years and their participation in decisions that affect their lives. The Act requires the Advocate to 'give priority to the interests and needs of vulnerable and disadvantaged children and young people' and to 'focus on systemic issues affecting children and young people.' Further information about the Advocate for Children and Young People's (ACYP) work can be found at: www.acyp.nsw.gov.au.

The rights and voices of children

Any changes to the early childhood education and care sector should centre the voices and experiences of children in early childhood services.

As an independent statutory office, and with experience engaging children as young as four in consultations, my team would be well placed to lead consultations focusing on the experiences of children across NSW.

Recently the Advocate and team led work to consult with four-year-old children about their experiences of health checks as part of the NSW Brighter Beginnings program. This work demonstrated the rich insights that children are able to share about their experiences.

It is critical that consideration is given to the voices of our littlest learners. Reform work that is happening for them should include their experiences as a core part of any changes. We cannot focus solely on increasing investment in the sector without first re-examining what is currently happening on the ground. Only then can we ensure that investment in early childhood education and care will result in the desired outcomes. We encourage the committee to consider how to include the voices of children in any work and would welcome the opportunity to deliver or support consultations leveraging the skills and experience of our team.

For-profit sector

A surge in for-profit providers combined with a permissive regulatory system has resulted in concerns over the quality and safety of early childhood education and care services. This impacts vulnerable children and families the most.

When services are designed around markets, profit and workforce participation, children's rights risk being de-prioritised or compromised. Education and care should never be treated as commodities. The privatisation of care sectors, such as early childhood education and care and aged care, differs fundamentally from typical industries, as these sectors directly impact human rights, dignity, and wellbeing. In many areas, families face limited or no viable options for services, which is leading to an uncompetitive environment where improving quality or reducing fees is not incentivised. Private providers prioritise profit margins, often through cost-cutting measures (i.e. through over-enrolment, manipulating ratios and undercompensating staff), rapid expansion via acquisitions, and a focus on high returns for investors.

There have been several investigative media reports on the ongoing child safety issues in for-profit centres. The proportion of for-profit providers who do not meet the national standards is higher than non-for-profit and government providers¹. In addition, the current regulatory framework allows for services to still operate even if they are rated 'Significant Improvement required' (which means they do not meet at least one of the seven national quality standards), and 'Provisional—Not yet assessed under the National Quality Framework' (which means they have not been assessed yet).²

Market-driven models tend to disadvantage vulnerable families, as for-profit providers may prioritise those who can pay more or are easier to serve, for example those seeking five days a week or without additional needs. This can lead to the exclusion of children who need support the most, such as those with disabilities or from low socio-economic backgrounds. This is unacceptable. Every child in Australia deserves access to safe, equitable, transparent, and affordable early education and care.

¹ Australian Children's Education and Care Quality Authority, *NQF Snapshot Q4 2024*, p14
<https://www.acecqa.gov.au/sites/default/files/2025-02/NQF%20Snapshot%20Q4%202024%20FINAL.pdf>
² Australian Children's Education and Care Quality Authority, *Assessment and rating process* (accessed 13 June 2025), <https://www.acecqa.gov.au/assessment/assessment-and-rating-process>

A system built on public values, not profit motives, is essential to ensure that no child is left behind.

Public delivery and choice

As attention on the sector grows, there is increasing recognition that governments must play a central role, not only as a funder and regulator, but also as a direct provider of services.

The focus on the system brought by recent challenges presents an opportunity to design a universal, publicly delivered early childhood education and care system that supports children's development, enables workforce participation and reflects community values. A publicly led model, similar to the public school system, could provide the safety, quality, availability and inclusiveness that families and educators deserve. This model could shift the system away from being profit-driven to child-focused.

Additional consideration should also be given to how governments can enable parents to fulfil their role as the primary educator of their child. The current system, where parents have at most a few months of parental leave, compounded with a cost of living crisis, means parents have no choice but to return to work despite the costs of early childhood education and care eating into their salary and their concerns about quality and safety. It is time to give serious consideration to how governments can enable parents to spend longer at home with their children if they choose to, or if no affordable or quality service is available. This will not only enable true choice around services, but would also significantly reduce the current burden on the system, which is unsustainable.

Access

Lack of access to quality early childhood services inhibits choice for parents.

In practice, choice in early childhood education and care is often limited. Many families are left with few, if any, viable options due to high fees, lack of availability, long waitlists or services that lack inclusivity and transparency around quality. Parents are frequently compelled to accept the first available place, not because it best meets their child's needs, but because the alternative is nothing at all. For families of children with disabilities, additional needs, or low socio-economic backgrounds, the options are even more constrained. A system built to maximise profit does not prioritise access or equity. We need a publicly delivered system that guarantees affordability, inclusivity and high-quality standards for all families, regardless of their circumstances.

Despite the high cost of early childhood education and care, and concerns about safety, many families find it more economically viable to use low quality services than to forgo a household income. The rising cost of living and economic pressures mean that most households cannot afford to lose a wage earner, even temporarily. As a result, families often choose to pay for early childhood education and care—even when it is financially burdensome—because the alternative, such as one parent staying home to provide care, would result in greater financial strain.

Ongoing reform and funding

It is positive to see some reform work is underway, but these initiatives alone cannot create the universal system that families and children deserve.

I want to take the opportunity to commend the recent work in NSW to establish an independent early childhood education and care regulatory authority, and the legislative amendments to enable the authority to provide more transparent information to parents regarding ongoing investigations. While the NSW legislation will enable this change to be undertaken, I would also encourage consideration of corresponding changes to of the national legislation. It is critical that parents and carers have access to updated information regarding their services in between assessment and rating cycles.

I also note the recent announcement by the Australian Government around the trial of CCTV in services, but would urge caution be taken to ensure that strict privacy provisions are put in place regarding both the review and storage of any footage. Children's rights and dignity must be considered as part of the trial.

While the focus of this inquiry is around quality and safety, I would encourage the committee to consider the impact of existing funding models on services, including the need to better support the inclusion of all children and significantly increase public and not-for-profit provision.

Finally, I note the importance of the workforce to achieving high quality education and care, and the need for increased oversight of registered training organisations to ensure educators have the skills they need to support all children both now and into the future.

Real change will take ambitious, structural reform and consideration of cost-of-living factors that are forcing families to accept lower quality education and care over none at all. The childcare subsidy model was intended to drive choice, but all it has done is shift responsibility from government to families, and allowed for-profit to become the defacto model of early childhood education and care. It's time for governments to take responsibility and redesign a system with children at the centre.

Thank you once more for the opportunity to provide feedback in relation to this inquiry. ACYP would be happy to work with the committee to explore this further, and trust that this information has been of some assistance.

Should you wish to discuss these matters, please do not hesitate to contact my office via:
acyp@acyp.nsw.gov.au or ph: (02) 9248 0970.

Yours Sincerely,

Zoë Robinson

Advocate for Children and Young People